

1. 12 Feb 75

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PRC  
INTERNATIONAL AFFAIRS

Near Dar es Salaam, we visited a salt field opened up by 38 young people who had voluntarily come last June from big cities to this desolate place to make a contribution to national development. After looking over the simple "salt-works" they had built, the first thing that attracted our attention was a large tract of salt-pans they were irrigating day and night.

Tanzania is rich in diamonds that are big, varied and of good quality. After independence, and especially following the "Arusha Declaration" in 1967, the government took restrictive measures against the foreign companies, expressing the Tanzanian people's determination to build their own factories. The Ilinga diamond mine we visited had been built in these circumstances. In the staff of 450 functionaries and workers, there were only four foreign technicians. The manager and six deputy-managers are all Tanzanians. The workers put some polished diamonds on a smooth table for us to look at through magnifying glasses. What a wonderful kaleidoscope of colours! The manager told us about the factory, pointing out that from its establishment in 1967 up to 1973 about a thousand skilled workers had been trained there.

In Zanzibar, we visited a leather and shoe factory and a sugar refinery using national resources which were also set up and run by the local people. In the leather and shoe factory workshops, we saw the shearing, drying, oiling and polishing processes which were all being skillfully carried out by the local people.

In the more than 10 years since independence, Tanzania has achieved remarkable successes in transforming foreign enterprises and in building up small and medium-sized national industries. During the period of the first 5-year plan alone, besides the nationalization in various forms of a number of foreign enterprises, over 50 factories were set up to lay a foundation for the further development of an independent national industrial system.

RED CROSS SOCIETY DONATES DROUGHT RELIEF GRAIN TO MALI

Peking NCNA in English 1628 GMT 7 Feb 75 OW

[Text] Bamako, February 6, 1975 (HSINHUA)--Chinese Ambassador Meng Yueh handed over 8,000 tons of grain to the Malian Government here today as relief for drought victims in Mali.

The relief grain--5,000 tons of rice and 3,000 tons of maize--was a donation from the Red Cross Society of China. Kissima Doukara, Malian minister of defence, security and the interior and chairman of the National Committee for the aid of drought victims, received the foodstuff on behalf of the Malian Government.

Speaking at the hand-over ceremony, Ambassador Meng Yueh conveyed the deep concern and sincere sympathy of the Chinese people and government for the affected inhabitants.

In the name of the Malian people and government Minister Doukara thanked the Chinese people, government and the Red Cross Society of China for giving constant and effective aid to the Malian people.

State Department review completed

1. 12 Feb 75

A 5

PRC  
INTERNATIONAL AFFAIRS

As early as February 1967, when the "Arusha Declaration" was published, the emphasis was placed on developing the national economy by the country's own strength and treating agriculture as an important measure in that development. The declaration clearly pointed out: "Independence means self-reliance," and "agriculture is the basis of development." After the declaration was issued, the Tanzanian Government adopted many measures to aid agricultural development, especially grain production. One of the important steps was to gradually concentrate thousands upon thousands of isolated peasants together. This measure was designed to improve ploughing methods and raise agricultural output. At present, some 6 million peasants, or about half the total population, have been brought together in several villages.

In the Arusha region we visited Marev village, which consists of 74 households having over 500 people, a labour force of 160 and one tractor. Corn is the main crop. In the year 1973 to 1974, it planted 270 acres to corn and harvested 300,000 kilogrammes, half of which was sold to the state; the other half, excepting grain reserves, was distributed among the villagers. In addition to the grain, the village received 210,000 Tanzanian shillings. We were there in the corn harvest time and the village-owned grain storerooms were piled high with corn. The village had had to build new storerooms. Responding to the call of the government for more grain production, the village extended land planted to corn to 300 acres and also expanded side-line production on a larger scale in the 1974-75 crop year.

Along with the improvement in grain production, the Tanzanian Government also pays much attention to developing traditional economic plants. In Tanga region, we visited a nationalized sisal plantation employing 3,000 workers on 10,000 hectares of land. At the plantation, we felt we were looking at a vast green sea; the thick green leaves looked like sharp swords pointing to the sky.

After independence, the Tanzanian Government adopted a series of steps in 1963 which changed the "eternal right" to land of all foreign plantations to a limited time period; set up the "Tanzanian sisal plant company" in October 1967; nationalized six big foreign companies in November 1967 and at the same time took over most of the stock of the 33 other foreign companies; took over 22 foreign plantations in November 1973.

Sisal has always been one of Tanzania's most important exports. While taking over or buying out foreign sisal plantations and companies, the Tanzanian Government established one sisal plant mill after another and replanted some of the sisal plantations with different plants in order to gradually diversify the economy.

#### **Building Industry in Arduous Struggle**

During our stay in Tanzania, we visited a number of small and medium-sized national industries set up by the Tanzanian Government and people with their own national resources.

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## TELEGRAM

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SUBJECT : February Highlights in Mali

REF :

DATE: April 8, 1975

1. Mali's Traveling Ministers

February was a traveling month for many Malian Ministers. Missions led by Ministers visited the Middle East, Eastern Europe, Africa and the United States. Following the return to Bamako of Major Amadou Baba Diarra, Vice-President of the Military Committee (MCNL) from his trip to the Middle East and Libya, it was announced that President Moussa Traore would pay an official visit to Kuwait and Egypt in the near future. COMMENT: The President departed for the Middle East on March 15. The Minister of Labor, Sory Coulibaly who is also a Minister Delegue to the MCNL (the only civilian who attends MCNL meetings) visited and delivered personal messages from President Traore to the Presidents of Zaire, the Popular Republic of the Congo and the Cameroun.

The Minister of Commerce, Assim Diawara, visited Cuba and Yugoslavia where talks were held on mutual non-alignment problems. In his capacity as Mali's drought coordinator, the Minister of Defense and Interior, Major Kissima Doukara, visited the United States and had talks with a number of State and AID officials principally on drought relief issues. These trips commented L'Essor (the official organ of the Military Committee) served only as a political exchange of information to promote and enforce cooperation between their friendly states.

2. Presidente Senghor and Kountche Visit Mali

President Moussa Traore welcomed to Mali for the second time with the past two months Presidents Leopold Sedar Senghor of Senegal and Kountche Seyne of Niger. Their visit centered on the future of the West African Economic Community (C.E.A.O.), the Senegal River Basin

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Clearances

1975 *Mauritania - USSR  
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V. 6 May 76

I 2

NORTH AFRICA

This morning, Ould Mouknass received the Soviet delegation in the presence of the industry and mines minister, Ould Rajal. The Soviet delegation is to leave for Nouadhibou, accompanied by a Mauritanian delegation led by the industry and mines minister, Ould Rajal.

The Soviet delegation is in our country to conclude an agreement on sea fishing between the Mauritanian Islamic Republic and the Soviet Union.

Ould Daddah Banquet

Nouakchott Domestic Service in Arabic 2200 GMT 3 May 76 LD

[Text] The Mauritanian delegation led by Ould Rajal [minister of industrialization and mines] and the Soviet delegation led by the minister of the fish industry will attend a banquet tonight given by His Excellency President Moktar Ould Daddah. The Soviet delegation is currently visiting our country to conclude a sea-fishing agreement. President Daddah tonight received the Soviet delegation.

BRIEFS

SOVIET MINISTER'S VISIT--Nouakchott, May 4 (AFP)--The Mauritanian Navy has been given a new coast-guard patrol launch by the Soviet Union to mark the visit here of Soviet Minister of Economy and Fishing Alexander Ishkov. The vessel was officially handed over yesterday at a ceremony in Nouadhibou. Mr Ishkov's trip is understood to be connected with the renewal of joint fishing agreements which expired at the end of March. [Text] [Paris AFP in English 1208 GMT 4 May 76 PA]

MOROCCO

SPANISH FOREIGN MINISTER ARRIVES IN MOROCCO

Rabat Domestic Service in Arabic 1200 GMT 5 May 76 LD

[Summary] "Jose Maria de Areilza, Spanish minister of foreign affairs, arrived this morning at Rabat-Sale Airport on an official visit to our country at the invitation of his counterpart Dr Ahmed Laraki."

The Spanish guest was received at the airport by Dr Ahmed Laraki, minister of state for foreign affairs, and other personalities.

Laraki Speaks At Dinner

Rabat Domestic Service in Arabic 2200 GMT 5 May 76 LD

[Excerpts] Dr Ahmed Laraki, minister of state for foreign affairs, gave a banquet this evening in honor of Spanish Foreign Minister Jose Maria de Areilza. In a speech he said: While geographical proximity has made it possible for the two countries to undertake humanitarian and economic initiatives, in view of their common interests and responsibilities, it is necessary for them to conduct regular consultations on all matters connected with the preservation of peace and stability in the Mediterranean countries and the future of the Straits of Gibraltar, whose very name indicates the affinity of our relations and which must become a means of fruitful cooperation, because we are its guardians.

V. 6 May 76

N O R T H A F R I C A

I 1

ALGERIA

GUINEAN PRIME MINISTER ARRIVES IN ALGIERS

Algiers Domestic Service in French 2005 GMT 5 May 76 LD

[Except] Relations between Algiers and Conakry are excellent, according to Mr Beavogui, prime minister of the Republic of Guinea, who was speaking on arrival in Algiers this afternoon. Mr Beavogui, who heads a large delegation including the foreign minister, said his visit to Algiers comes within the context of strengthening these relations. He also said the Western Sahara will be discussing during his visit.

LIBYA

AL-QADHDHAFI, JALLUD STATEMENTS TO AD-DUSTUR

Amman AD-DUSTUR in Arabic 6 May 76 pp 1, 11 JN

[Text] In an exclusive statement to AD-DUSTUR, Libyan leader Mu'ammar al-Qadhafi has said that he pins great hopes on the return of Libyan-Jordanian relations in the interest of the two fraternal peoples and countries and the Arab cause. He said that the official resumption of relations and exchange of ambassadors will take place soon after the Libyan Government has reorganized its diplomatic corps, which will be announced shortly.

The Libyan leader made an exclusive statement to AD-DUSTUR chief editor 'Arafat Hijazi, who paid a brief visit to the Libyan Arab Republic in the wake of the restoration of Libyan-Jordanian relations. Hijazi spent 2 days with Revolution Command Council Chairman al-Qadhafi on his tour of a number of Libyan towns, and held a 16-hour dialog with Revolution Command Council member and Prime Minister Maj 'Abd as-Salam Jallud.

Major Jallud said that Libya has restored relations with Jordan because of its desire to cooperate with this Arab country which is working sincerely for the Palestinian cause, under King Husayn's leadership. Jallud said that Jordan's approval of the Rabat conference resolutions, which considered the PLO as the Palestinian people's legitimate representative, has proved Jordan's wishes to unify the Arab ranks for the sake of the sacred cause.

The Libyan prime minister praised the establishment of coordination projects with Syria as a nucleus for general Arab cooperation. He expressed optimism over the restoration of Libyan-Jordanian relations, and said that they will be beneficial to the Arab nation's cause.

AD-DUSTUR will continue to publish extensive details on the statements by the Libyan leader and the prime minister in its coming editions starting on Saturday.

MAURITANIA

FOREIGN MINISTER HOSTS DINNER FOR SOVIETS

Noukachott Domestic Service in Arabic 2200 GMT 1 May 76 LD

[Text] Minister of State for Foreign Affairs Hamdi Ould Mouknass this evening gave a dinner in honor of the Soviet delegation which has been in Mauritania for 2 days, and which is led by the Soviet minister for the fishing industry.

Mauritania - USSR

III. 3 May 76

H 2

USSR INTERNATIONAL AFFAIRS  
SUB-SAHARAN AFRICA

"At one with the working people of socialist and developing countries, at one with the proletariat of capitalist countries, the working people of Mozambique are demonstrating on this day their determination to struggle shoulder to shoulder with their class comrades for a better future of the whole of mankind, for freedom and peace, against imperialism, colonialism and racism", says a statement issued by the government on the occasion of May the first.

May 1 and 2 have been declared days-off in the republic. On May the third the people of Mozambique will man their work places in order to give the day's earnings to the fund of solidarity. The money raised by the fund is used for help to the national liberation movements in Africa.

ANGOLA'S REQUEST TO JOIN UNITED NATIONS NOTED

Moscow TASS in English 1930 GMT 30 Apr 76 ID

[Text] New York, April 30 TASS--The People's Republic of Angola has requested admission to the United Nations Organisation, an official U.N. spokesman announced here today.

U.N. Secretary General Kurt Waldheim has sent Angola's request to the Security Council. New members are admitted to the U.N. but its General Assembly on the recommendation of the Security Council. [sentence as received] The next session of the General Assembly will open in September.

SECOND SOVIET TRAWLER GIVEN TO MAURITANIA

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Moscow TASS in English 0805 GMT 3 May 76 ID

[Text] Nouakchott, May 3 TASS--A Soviet fishing trawler was turned over in an official ceremony in Port Nouadhibou as a gift to the government of Mauritania. The trawler is the second ship turned over to Mauritania by the Soviet Union in conformity with the bilateral agreement on cooperation in the field of sea fishing.

Speaking at the ceremony, the head of the delegation of the USSR Ministry of Fisheries Minister A.A. Ishkov, expressed confidence that cooperation between the USSR and Mauritania will further develop and strengthen.

In his reply address Mauritanian minister of industrial development and the ore mining industry Ishaq ould Rajel expressed gratitude to the Soviet Union for assistance in the creation of a national fish processing industry.

UGANDA'S AMIN STRESSES UNITY OF AFRICANS

Moscow TASS in English 1750 GMT 30 Apr 76 ID

[Text] Belgrade, April 30, TASS--Africa is now more united than ever before, declared the chairman of the Organization of African Unity, President of the Republic of Uganda Idi Amin in an interview with the Yugoslav paper VJESNIK. The African Continent, he added, has awakened and found new methods of fighting for liberation which enable to completely throw off the yoke imposed on it. Africa, stressed Idi Amin, knows full well that the imperialist forces in the West are arming its adversaries seeking to turn Africans into slaves. In his view the countries of southern Africa could win independence through armed struggle alone because the racist regimes in Rhodesia and the Republic of South Africa will never voluntarily grant freedom to the indigenous African majority in these countries.

III. 3 May 76 U S S R I N T E R N A T I O N A L A F F A I R S  
SUB-SAHARAN AFRICA

H 1

SOVIET AID AGREEMENT SIGNED IN MOGADISCIO

Moscow TASS in English 0810 GMT 3 May 76 ID

[Text] Mogadiscio, May 3 TASS--An agreement on Soviet assistance to Somalia has been signed at the House of the People here. The agreement envisages the delivery to Somalia, gratis, of food products, construction materials, oil products, motor vehicles and other commodities.

BARRE PRAISES USSR'S 'DISINTERESTED SUPPORT'

Moscow TASS in English 0706 GMT 2 May 76 ID

[Text] Mogadiscio May 2 TASS--The changed correlation of forces in the world in favour of socialism, full and final elimination of capitalism and all forms of exploitation and oppression is an irreversible process, and no designs of reaction and imperialism are able to hamper it, said Mohamed Siad Barre, president of the Supreme Revolutionary Council of Somalia, speaking at a mass meeting of the working people in the Somalian capital. The patent proof of this are the accomplishments of the countries of socialism, the downfall of the colonial system, the mounting struggle of the working people for their rights, equality and social progress.

The Somali Democratic Republic, Siad Barre stressed, just as other independent states, which embarked upon a non-capitalist way of development, attained considerably successes in economy, cohesion and selfless labour of workers, peasants and employees, their increased political consciousness.

The disinterested support and assistance of the socialist states, in the first place of Soviet Union, a true friend of the Somali Democratic Republic, plays a great role in consolidating the country's political and economic independence, said the president of the Supreme Revolutionary Council.

TASS REPORTS ON MAY DAY OBSERVANCE IN GHANA

Moscow TASS in English 1825 GMT 1 May 76 ID

[Text] Accra, May 1, TASS--A mass meeting and a public demonstration were held in the independence square here on the occasion of May Day.

Addressing the meeting A.M. Issifu, general secretary of the Ghana trade union Congress, and Dennis Akumu, general secretary of the African Trade Union Unity Organization, called for stronger unity of working class ranks in the struggle for legitimate rights and interests, stronger solidarity among the working people of all continents and for stepping up the struggle of the African peoples against imperialism, racism and neocolonialism.

May Day meetings and demonstrations were held in all regional centres and other cities and populated localities of Ghana.

TASS: MOZAMBIQUE CELEBRATES FIRST MAY DAY

Moscow TASS in English 1130 GMT 1 May 76 ID

[Text] Maputo, May 1, TASS--May Day is being celebrated in the People's Republic of Mozambique as an official national holiday for the first time in history.

III. 21 May 76

H 4

USSR INTERNATIONAL AFFAIRS  
SUB-SAHARAN AFRICA

The Congolese Labour Party, the president said, heads the struggle of the Congolese people who have chosen a socialist path of development. Power in the country, he stressed, belongs to the working class which in alliance with all the working people of the country is building a new society.

People's government bodies hold a major place in realisation of the objectives which were set, Marien Ngouabi pointed out. They should carry out a consistent anti-imperialist policy aimed at development of the economy and culture of the republic, to approach their activities with due criticism.

ACCRA MEETING HAILS SOVIET, CUBAN POLICY

Moscow TASS in English 0710 GMT 18 May 76 LD

[Text] Accra, May 18 TASS--The Soviet Union and Cuba are sincere friends of the African peoples. The aim of their policy in Africa is to help wiping out colonialism, racism, capitalist and imperialist exploitation on the continent. This was said by participants of a one-day symposium sponsored by the Ghana United Nations Association.

The speakers stressed the need of vigorously combatting imperialist propaganda which seeks to distort the real nature of the genuinely internationalist and disinterested aid from the countries of the socialist community to developing states of Africa. They all sharply denounced intervention by the imperialist powers and the South African racialists into the domestic affairs of the People's Republic of Angola.

JOINT FISHING SOCIETY SET UP WITH MAURITANIA

Moscow TASS in English 1820 GMT 18 May 76 LD

[Text] Moscow, May 18 TASS--Soviet-Mauritanian economic cooperation is moving into a new stage with the launching this year of a joint fishing society, a TASS correspondent was told by Aleksandr Ishkov, the Soviet fishing minister. He is back from a trip to Africa where Mauritania was one of his stops.

The society, based on mutual investment, will deal with fishing, processing and marketing of fish. It will pay much attention to the exploration of the fisheries off the Mauritanian coast to promote industrial fishing in the country, said the minister.

Aleksandr Ishkov was present at the ceremony of the handing of a Soviet fishing vessel to Mauritania, the second Soviet gift vessel to that friendly country.

Cooperation between the fishermen of the two countries was started by an agreement signed in 1973. Since then considerable experience of cooperation in the ocean to mutual advantage has been amassed, said the minister.

He revealed that the USSR will provide equipment for a fish-processing complex, including a cannery and refrigerator plant, in the Mauritanian port of Nuadibu. Soviet specialists will soon start technical and economic studies for this coastal fishing base.

The USSR will finance the construction of a fishing research centre in Mauritania. Soviet specialists will train national fishing work force for Mauritania, said minister Ishkov.

III. 21 May 76

H 3

USSR INTERNATIONAL AFFAIRS  
SUB-SAHARAN AFRICA

Collective farms are being set up all over the country as a result of the voluntary unification of the poorest peasants and agricultural workers. Small proprietors are admitted to the cooperatives on condition of handing over all means of production owned by them.

The main task of collective farms, says the FRELIMO's document, is to raise the productivity of agricultural labour and increase food production.

With the help of these cooperatives, the government of that republic is planning to radically restructure the life of Mozambique's countryside. It is envisaged in particular to build schools, medical centers, nurseries and kindergartens, clubs and shops.

MALI HEAD OF STATE ENDS STOPOVER VISIT TO MOSCOW

Moscow TASS in English 1933 GMT 20 May 76 LD

[Text] Moscow, May 20 TASS--Moussa Traore, the President of the Military National Liberation Committee, chairman of the government and head of state of the Republic of Mali, left Moscow for home today.

Moussa Traore met in Moscow president of the Presidium of the USSR Supreme Soviet Nikolay Podgornyy. They exchanged opinions on the development of bilateral relations and a number of topical international problems of mutual interests.

Moussa Traore stopped over in the Soviet Union on his way from the Korean People's Democratic Republic.

IMPERIALISM SEEKS TO SUBVERT AFRICAN STATES

Moscow TASS in English 1624 GMT 20 May 76 LD

[Text] Mogadiscio, May 20 TASS--The Somali Government paper XIDDIGTA OKTOBAR criticized the policies of the developing countries. It said the contemporary events show clearly that capitalist methods will not solve the problems the newly independent states inherited from colonialism (?and will) not ensure rapid economic and social progress.

The paper said that imperialism is using economic and political blackmail, subversive activity and even overt intervention in order to keep the developing African countries within the sphere of their influence. The imperialists are generously supplying arms to the South African racists and various reactionary puppet gangs and are recruiting mercenaries.

The victories of the national liberation struggle and especially the (?triumph) of the Angolan people show that the wish to be free and independent cannot be broken.

CONGOLESE PRESIDENT ADDRESSES NATIONAL ASSEMBLY

Moscow TASS in English 1907 GMT 20 May 76 LD

[Text] Brazzaville, May 20 TASS--Chairman of the Central Committee of the Congolese Labour Party, president of the People's Republic of the Congo Marien Ngouabi, called upon the deputies of the National Assembly to make their contribution to implementation of fundamental socio-economic transformations in the People's Republic of the Congo. He did so, opening a session of the supreme government body of the republic today.

Mauritania - USSR  
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1. SOVIET DIPLOMAT HAS PROVIDED EMBASSY WITH SOME DETAILS ON RECENT SOVIET-MAURITANIAN FISHERIES AGREEMENT, DURING OFFICE CALL ON UNRELATED SUBJECT, SOVIET FIRST SECRETARY FEDOR V. TESSELKINE TOLD EMBOFF THAT RECENTLY SIGNED FISHERIES AGREEMENT (REFTEL) PRIMARILY CONFIRMED PAST PROMISES RATHER THAN INITIATED NEW ONES.

2. NUMBER OF SOVIET VESSELS PERMITTED TO OPERATE IN MAURITANIAN WATERS REMAINS UNCHANGED. THERE ARE CURRENTLY TWO CATEGORIES OF SOVIET FISHING ACTIVITY: FOR LOCAL INDUSTRY AT NOUADHIBOU AND FOR USSR MARKET. (A) THIRTY-FIVE SOVIET TRAWLERS NOW OPERATE IN THREE TO TEN MILE ZONE OFF MAURITANIA FOR SOLE PURPOSE OF SUPPLYING FISH TO LOCAL INDUSTRY IN NOUADHIBOU. NEW AGREEMENT, AS DID 1973 AGREEMENT, CALLS FOR DELIVERY OF 30,000 TONS OF FISH PER YEAR TO LOCAL INDUSTRY. USSR HAS NEVER BEEN ABLE TO MEET THIS FIGURE AND HAS NO EXPECTATION OF DOING SO IN FUTURE. TESSELKINE FIGURES THAT SOVIETOS CAN PROVIDE ABOUT 15,000 TONS PER YEAR TO INDUSTRY AT NOUADHIBOU. EACH OF 35 TRAWLERS MUST ALSO EMPLOY FIVE MAURITANIAN CREW MEMBERS WHO ARE PAID BZU1 SR. TESSELKINE WAS VAGUE WHEN ASKED IF MAURITANIANS ACTUALLY JOINED VESSELS, BUT HE DID POINT OUT THAT VERY FEW MAURITANIAN CREW MEMBERS KNOW ANYTHING ABOUT FISHING. (B) FIFTEEN SOVIET TRAWLERS OPERATE IN MAURITANIAN WATERS BEYOND TEN MILE ZONE. ALL OF GHEIR CATCH IS DESTINED FOR SOVIET MARKET AND NO REPEAT NO FEE IS CHARGED

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\$4 OR \$5 MILLION. TESSELKINE SUGGESTED CONSTRUCTION  
WILL BE COMPLETED WITHIN ABOUT TWO YEARS. HANDYSIDE

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III. 12 May 76

H 5

USSR INTERNATIONAL AFFAIRS  
SUB-SAHARAN AFRICA

OAU BODY ENDS ADDIS ABABA TALKS ON DJIBOUTI

Moscow TASS in English 1601 GMT 11 May 76 LD

[Text] Addis Ababa, May 11 TASS--The special mission of the Organization of African Unity (OAU) for Djibouti has ended work in the Ethiopian capital, where the OAU has its headquarters, and left Addis Ababa today. The mission drafted a report to be submitted to the OAU liberation committee. This report will later be discussed by delegates from independent Africa at meetings in Mauritius at the end of June and the beginning of July.

The report sums up the results of meetings and talks the mission had with the leaders of different political parties and groups during its visit to the French territory of the Afars and Issas as well as government spokesmen of Ethiopia and Somalia, who are neighbours of this territory.

The special mission for Djibouti was set up by the last session of the OAU Council of Ministers, held in Addis Ababa at the end of February.

Independent Africa shows a special interest in the territory of the Afars and Issas because of French plans to grant it independence.

USSR-GUINEA-BISSAU FRIENDSHIP SOCIETY PLANNED

Moscow TASS in English 1707 GMT 11 May 76 LD

[Text] Bissau, May 11, TASS--According to the Guinea-Bissau radio station, a preparatory committee has been set up here to establish a Guinea Bissau-USSR friendship society. The committee includes member of the Supreme Council for Struggle of the African Party for the Independence of Guinea and Cape Verde Islands (PAIGC) Jilio Carvalo, General Secretary of the State Commissariat for Foreign Affairs Joseph Turpin and widow of the founder of PAIGC Amilcar Cabral, Anna-Maria Cabral, who is a prominent public figure.

It said in the radio station's broadcast that the Soviet Union is a time-tested friend, who offered aid at a time of difficulty for the people of Guinea-Bissau and strongly supported the struggle for national liberation.

MAURITANIAN FISHING COOPERATION TALKS END

Moscow TASS in English 1432 GMT 6 May 76 LD

[Text] Nouakchott, May 6 TASS--Soviet-Mauritanian talks on cooperation in fishing have closed here. The communiqué issued at the end of the talks says that negotiations between Soviet Minister of Fisheries A.A. Ishkov and Mauritanian Minister of Industry Ishaq Ould Rajel took place in the spirit of friendship and mutual understanding.

The two ministers agreed on the continuation of the study of fish resources in Mauritanian waters, on the (developing) with Soviet help of a long-range plan for the development of Mauritanian fishing industry and the establishment of a research center in Nouadhibou.

A Soviet-Mauritanian fishery company will be set up.

III. 12 May 76

U S S R I N T E R N A T I O N A L A F F A I R S  
SOUTH ASIA

J 1

RIGHTWING FORCES ACTIVE IN BANGLADESH

Moscow IZVESTIYA in Russian 8 May 76 Morning Edition p 4 LD

[TASS report: "The Situation in Bangladesh"]

[Text] Dacca, 7 May--Lately the situation in Bangladesh has been exacerbated appreciably as a result of attempts by rightwing forces to take the offensive and seize power.

These forces, which are headed by Air Vice Marshal Tawab, deputy chief military administrator [as published], developed a broad campaign demanding the fundamental revision of the constitution and that Bangladesh be declared an Islamic state. Here they enjoyed the active support of Maoist groupings. Hostility toward neighboring India was artificially fanned in the country. With provocative aims Bashani, leader of a pro-Peking religious community grouping, stated his intention to organize a mass anti-Indian demonstration on the border with India.

The above campaign was preceded by a shift to the right in Bangladesh's domestic policy--something to which the selfsame Tawab and his supporters made a considerable contribution. In the last few months many prominent public figures and politicians who participated in the liberation movement and a number of progressively minded people have been arrested in the country. Petty officials [chinovniki] who served in the state apparatus before the liberation of the country and the proclamation of the independent republic have again started to play the main role in it. They are returning to private capital the overwhelming majority of the industrial enterprises nationalized under Mujibur Rahman's government and have attempted to alter Bangladesh's foreign policy line.

Tawab himself has been very active. In April he toured a number of capitalist states and met with reactionary Arab figures. According to the information available here, the plan for a new putsch by rightwing reaction in Bangladesh was finally coordinated with the imperialist powers' intelligence services during this trip. At the end of April, in the wake of Tawab who had returned from his foreign tour, a group of former Bangladesh Army officers who had directly participated in the murder of Mujibur Rahman last August and who had been deported from the country last November arrived in Dacca.

The "bloody majors" return to Dacca testified that reaction deemed it possible to challenge the present administration openly and to move on to resolute actions. However, the rightwingers' plans failed. The appearance of these criminals aroused profound alarm among the country's public. Reaction had underestimated the strength of those who have remained loyal to the principles of the genuine independence gained in 1971 at the cost of tremendous sacrifices.

Tawab was removed from all the posts he occupied and, along with the "bloody majors" expelled from Bangladesh.

The events connected with the putsch which was being prepared in Bangladesh testify that reaction has not put down its arms. Incited by imperialist and rightwing Muslim regimes and also by the Maoists, antipopular elements will certainly attempt to take their revenge. Realizing this danger, the country's patriotic forces are urging the people to maintain unity and vigilance in order resolutely to rebuff new intrigues by domestic reaction and its foreign inspirers.

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Mexico - Romania

MEXICO

J. C. [Signature]

MEXICO, ROMANIA SIGN PETROLEUM AGREEMENT

Mexico City EL SOL DE MEXICO in Spanish 3 Feb 76 pp 1, 14

[Article by Oliverio Duque Juarez: "Petroleum Exploration Now in 23 States"]

[Text] Cozumel, Q.R., 2 Feb (OPGV). Mexico and Romania have signed an extensive program of mutual cooperation in matters pertaining to petroleum, and President Echeverria has indicated that the agreement is part of the thorough reorganization which his government is working on to increase the country's contacts, without regard to politics or ideologies of any stamp, for the purpose of reducing the technological dependence to which, in large part, we owe our foreign debt.

In the same press conference in which the president stated that without a doubt this is the right route for Mexico, the director general of PEMEX [Mexican State Petroleum Enterprise], Antonio Dovali Jaime, announced that daily production of crude petroleum has reached 885,000 barrels, owing to the increase of 17,000 barrels from the Tabasco and Chiapas oilfields, with another increase of 8,000 barrels expected within a few days.

He also said that exploration is now being carried on in 23 states of the country.

He added that the exploration efforts are successful enough to permit the well-founded hope of maintaining self-sufficiency in supplying crude petroleum to present refineries and to those opening in the future--the one at Tula, for example, in March--in addition to surpluses, which can be exported.

Bujor Almasan, minister of mines, petroleum and geology of the Socialist Republic of Romania, referring to the joint program, said it will set an example for cooperation in other branches of the economies of both countries.

The six members of the Romanian mission, headed by Mr Almasan, arrived in Cozumel with Dovali Jaime to say goodby to President Echeverria before going to Bogota yesterday.

Benefits of the Program of Cooperation

Mexico will profit from Romania's wide experience in the field of secondary recovery of petroleum deposits, through processes of water injection, steam injection and subterranean combustion, all of which will allow increased production.

Romania, in turn, will benefit from the knowledge and experience of Mexico in the planning, installation and operation of fixed underwater drilling platforms, and the Mexican Petroleum Institute will construct one of these, to be installed in the Black Sea with Mexican technical assistance. In addition, Mexico will train Romanian personnel.

In the field of petrochemical refining, cooperation will be toward the joint development, improvement and marketing of processes of interest to both, and to carry out research leading to the manufacture of catalysts.

The two countries will also pool resources to offer and execute specific engineering projects in other countries. They will exchange information on several programs, and Pemex will approach Mexican industries for the purpose of establishing mixed Mexican-Romanian enterprises for the manufacture of machinery and equipment which can be sold in the two countries and in international markets.

The agreement was signed in the city of Mexico and announced here this morning, in a press conference in which Dovali Jaime and Minister Almasan emphasized the petroleum strength of Mexico and Romania.

To Drill Deepest Well in Europe

The visiting minister announced that his country produces 15 million tons and 32 million cubic centimeters of gas. He said that in 1976, 120 drilling rigs will be produced, and that they are in the process of drilling the deepest well in Europe, which will be 10,000 meters deep.

Echeverria commented on the importance of the agreement, saying that this is the first big and solid step that has been taken in accordance with what he agreed and announced together with President Ceausescu during the latter's visit to Mexico.

He explained that the agreement is subject to a general program of diversity, to increase the economic contacts of Mexico without regard for politics or ideologies.

"And this we must do in all aspects of the economy: diversify our markets in order not to depend solely on one," he added. He emphasized that we must look to all countries of the world--capitalist, socialist, developing--for everything we can learn and of which we can take advantage, in order that

there may not be just one model of development imposed, but that we may be sufficiently capable, dynamic and perspicacious to learn from the world whatever we are able to assimilate, in accordance with the dimensions of our economy.

Before concluding the conference, Dovali Jaime explained that exploratory activities include the explored area of the continental shelf of the Gulf of Mexico and some areas of the Pacific coast, such as Sebastian Vizcaino Bay and Magdalena Bay in Baja California, and along the beaches of Nayarit.

He said that apparently in the relatively near future new deposits will be found, since results of tests appear to confirm that there will be sufficient for domestic consumption and for export. He emphasized again the strength of the Reforma and Samaria fields, which last week were producing 410,000 barrels daily, or 42 percent of national production. He added that at present they are producing 427,000 barrels daily, and in several days more this will increase to 435,000.

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## MOROCCO

Approved For Release 2003/10/22 : CIA-RDP90-00596R0008000100076

### CHINA TO LEND \$ 32 MILLION

China is contributing a loan of MD 140 million (\$32 million) to cover part of the MD 200 million (\$45 million) cost of a sports complex it is to construct in Rabat. (MEED 27:2:76). The project involves building an Olympic stadium, an Olympic swimming pool, and halls for gymnastics, as well as other amenities that will include a 200-bed hotel.

### Eximbank lends \$ 13.6 million for Boeing purchase

A loan of \$ 13.6 million is being provided by the US Export-Import Bank to Royal Air Maroc for the purchase of three Boeing 727 aircraft and related equipment (MEED 5:3:76). The whole deal will cost \$ 34 million. Royal Air Maroc has become the first intercontinental Arab airline with its new Casablanca-New York-Montreal connection. The company will soon start operating two new routes, one connecting Casablanca with Lisbon and London and the other covering the Kuwait-Casablanca stretch via Cairo and Tripoli.

### MAJOR RAILWAY DEVELOPMENT PLANNED

The Moroccan National Railways Office (ONCF) plans to construct a network of railways covering 970 kilometres. The first stage of this plan is already under way on the 80-kilometre stretch linking Ain Sebaa-Rabat-Agdal, which will be fully electrified as a prelude to the electrification of the entire Moroccan railway network. A separate project envisages the connection of Marrakech and El-Aaiun, capital of the western Sahara. The future centre of the Saharan phosphates and chemicals industry, Jorf Lasfar, will be connected with a Saharan port whose location has not yet been agreed upon.

### IN BRIEF

A maritime company for the transport of petroleum and petroleum products has been formed by the Moroccan companies Compagnie Marocaine de Navigation (COMANAV) and Samir, and by the Korean Bowspirit and the Japanese Japan Line. The Moroccan Government hopes to reach a situation where it will be self-sufficient with regard to petroleum transportation facilities. COMANAV has nine ships on order, as part of a MD 1,120 million (\$ 255 million) investment involving 19 vessels.

The volume of monetary circulation in Morocco has risen by 25.5 per cent, from MD 11,847 million on 31 December 1974 to MD 14,275 million one year later, according to a study published by the Central Popular Bank of Morocco.

## Oman

### OIL TAXES AND ROYALTIES RAISED

Oman has raised its royalty and tax rates on oil output from 16.7 per cent to 20 per cent and from 65.8 per cent to 80 per cent respectively.

The increases help to bring the rates more into line with those imposed by the Organisation of Petroleum Exporting Countries (OPEC), of which Oman is not a member. OPEC members at present charge 20 per cent royalty and 85 per cent tax.

Oman has also raised its posted price from \$ 12.505 to \$ 12.548, effective from 1 April. The Government's minority partners in Petroleum Development (Oman) — Shell, Compagnie Francaise des Petroles and Partex — will now be paying \$ 11.67 a barrel for buy-back oil compared with the previous \$ 11.63.

The partners are at present lifting 40 per cent of output of quality crude at the tax-paid cost of \$ 10.65 a barrel and a further 40 per cent at the buy-back price. The Beirut-based *Middle East Economic Survey* estimates that this now leaves the companies with a profit margin of 51 cents a barrel.

The remaining 20 per cent, or 80,000 b/d, is being marketed directly by the Government to C Itoh of Japan and Gulf Oil of the US at \$ 11.70 a barrel.

### IN BRIEF

North Yemen and Oman reached trade, economic and cultural co-operation agreements during a four-day visit last week by North Yemen's head of state Colonel Ibrahim Hamdi. It was the first visit by a North Yemeni head of state since the Yemeni monarchy was overthrown 15 years ago.

Union de Transports Aeriens (UTA), the French independent airline, is starting a weekly freight service between Paris and Muscat via Bahrain. It will be operated by a DC8-62 capable of carrying up to five tonnes of cargo.

## Saudi Arabia

### ARAMCO BUILDS UP PRODUCTION

The Arabian American Oil Company (Aramco) has reported a daily average production of 8.16 million barrels of crude oil during March, showing a steady increase in output over the 6.8 million barrels a day (b/d) average for 1975 and over the months of January and February (7.3 million b/d and 7.74 million b/d respectively). The 1975 average daily production was 16.8 per cent down on the average for 1974, but Aramco's capital spending on plant, property and equipment in Saudi Arabia in 1975 was up 50 per cent on the previous year's spending.

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 TO RUEHC/SECSTATE WASHDC 4893  
 INFO RUFHRS/AMEMBASSY ALGIERS 2453  
 RUEHEG/AMEMBASSY CAIRO 248  
 RUMJDH/AMCONSUL HONG KONG 27  
 RUDKMDQ/AMEMBASSY MADRID 1342  
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 LIMITED OFFICIAL USE RABAT 1391

E.O. 11652: N/A

TAGSI EEW<sup>T</sup> EMES ETRD MOSUBJ: SINO-MOROCCO COMMERCIAL AND MEDICAL AGREEMENTS SIGNED  
IN PEKING

REFI RABAT 1258 NOTAL

1. AFTERNOON DAILY MAROC SOIR MARCH 19 CARRIES REUTER STORY  
 DATELINED PEKING THAT MOROCCAN FOREIGN MINISTER M. AHMED  
 LARAKI HAS SIGNED LONG TERM TRADE AGREEMENT AND A PROTOCOL ON  
 MEDICAL COOPERATION WITH THE CHINESE FOREIGN MINISTER CHIAO  
 KUANHUA. AGREEMENT REPLACES A SIMILAR PROTOCOL SIGNED IN 1963.

2. LARAKI DEPARTED PEKING FOR NANKING IMMEDIATELY AFTER  
 THE SIGNING AND WILL VISIT SHANGHAI BEFORE LEAVING CHINA.  
 DELEGATION ARRIVED PEKING MAR. 15 AND WAS RECEIVED MAR. 17  
 BY PRIME MINISTER CHOU EN LAI IN HIS HOSPITAL ROOM.

3. EMBOFF, IN DISCUSSION WITH PRC COMMERCIAL COUNSELOR WANG  
 LI CHING MARCH 18, SOUGHT TO ELICIT SOME INSIGHT INTO LARAKI  
 CHINA TRIP. CHING RESPONDED IRRELEVANTLY TO REPEATED QUERIES  
 ABOUT DETAILS SINO-MOROCCAN COMMERCE, BUT SAID THERE WOULD BE  
 MORE CHINESE TRADE WITH MOROCCO AFTER LARAKI'S RETURN.

4. WE WILL BE DOING MORE COMPREHENSIVE REPORT FOLLOWING  
 CONCLUSION OF LARAKI VISIT. ANY INSIGHTS USLO PEKING AND  
 CONGEN HONG KONG CAN DEVELOP ON VISIT WOULD BE HELPFUL IN  
 COMPLEMENTING OUR ANALYSIS. NEUMANN

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PAGE 01

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TOR: 260404Z MAR 75

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FM AMEMBASSY RABAT  
TO RUEHC/RUEHC/SECSTATE WASHDC 4959  
INFO RUMJPG/USLO PEKING 07  
RUMJDH/AMCONSUL HONG KONG 28

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TAGS: PFOR CH MO

SUBJ: VISIT OF MOROCCAN FOREIGN MINISTER LARAKI TO PRC

REFS: A) RABAT 1391 B) HONG KONG 3066

1. GOM FOREIGN MINISTER AHMED LARAKI LEFT PRC MARCH 21  
AFTER SIX-DAY OFFICIAL VISIT WHICH TOOK HIM TO PEKING, NANKING,  
SOOCHOW AND SHANGHAI. LARAKI WAS ACCCOMPANIED BY DELEGATION  
LARGELY COMPOSED OF ECONOMIC SPECIALISTS. HIGHLIGHTS OF VISIT  
WERE LARAKI'S MEETING WITH PREMIER CHOU EN-LAI MARCH 17

AND SIGNING OF TRADE AND AID ACCORDS DISCUSSED IN REFTELS.

2. LOCAL PRESS REPORTED TRIP FACTUALLY, NOTING CORDIALITY OF  
LARAKI'S RECEPTION IN ALL FOUR CITIES BUT SHEDDING LITTLE LIGHT  
ON THE SUBSTANCE OF THE TALKS WITH CHOU OR ON PROVISIONS OF  
ACCORDS. GOM HAS MAINTAINED OFFICIAL SILENCE ON THE VISIT  
AND NO JOINT COMMUNIQUE HAS APPEARED AS OF EVENING MARCH 24.3. COMMENT: AS IS GENERALLY CASE WITH VISITS OF THIS KIND,  
LITTLE OF SUBSTANCE ON WHAT TRANSPRIRED DURING LARAKI'S LONG  
CHINESE INTERLUDE HAS BEEN GIVEN TO LOCAL PRESS. THUS, FOCUSHAS BEEN ALMOST ENTIRELY ON CEREMONIAL ASPECTS OF VISIT.  
GENERALLY SPEAKING, JOURNEY HAS GIVEN RISE TO MINIMAL SPECU-

LATION AND APPEARS TO US TO HAVE SPARKED LITTLE INTEREST HERE.

4. GOM'S NUMBER ONE SUBJECT, SPANISH SAHARA AND NORTHERN  
ENCLAVES, RECEIVED ONLY PASSING MENTION ALTHOUGH WE IMAGINE  
LARAKI MADE NEW PITCH FOR SUPPORT ON THIS ISSUE. ACCORDING TO  
PRESS, LOCAL CHINESE AUTHORITIES IN PROVINCIAL CITIES MENTIONED  
MATTER IN MOST INDIRECT FASHION, BUT THIS WAS ONLY REFERENCE TO  
IT REPORTED DURING VISIT.5. NEVERTHELESS, AS REFTEL B SUGGESTS, VISIT INDICATES SOME  
WIDENING OF MOROCCAN-CHINESE RELATIONS. WE HAVE HEARD THAT  
SPORTS COMPLEX WAS FIRST PROPOSED IN 1969 AND HAD BEEN STALLED  
BY GOM. IF IT IS AS LARGE AS PUBLICATIONS CITED REFTEL B SAY,  
IT WILL BE MAJOR LANDMARK ON RABAT SCENE. OTHER PROGRAMS

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PAGE 02-02

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TOR:260404Z MAR 75

ALSO APPEAR TO BE FIRSTS FOR THIS COUNTRY.

6, IT IS DIFFICULT TO ASSESS AT THIS POINT HOW LARAKI'S RELATIVELY LONG AND LEISURELY VISIT BEARS ON GOM'S APPROACH TO BROADER SUBJECT OF FAR EAST RELATIONS. THERE HAS BEEN NO RECENT SIGN OF CHANGE IN GOM'S RELATIVELY FAVORABLE PAST ATTITUDE ON VIET-NAM AND KHMER ISSUES, BUT NEXT GO ROUND ON SEATING IN INTERNATIONAL ORGANIZATIONS MAY PROVIDE ACID TEST OF GOM'S INTENT. SOUTH KOREAN EMBASSY HERE PREDICTABLY VIEWS LARAKI'S VISIT TO CHINA AS OMINOUS SIGNAL OF POSSIBLE FORTHCOMING GOM REASSESSMENT OF TIES WITH PRO-WESTERN REGIMES IN REGION. WHILE PRECIPITOUS CHANGE IN GOM POLICY UNLIKELY IN OUR VIEW, GOM IS NO DOUBT FOLLOWING SITUATION IN SOUTHEAST ASIA CLOSELY AND WILL ALSO BE KEEPING AN EYE ON THE ATTITUDES OF MODERATE ARAB AND AFRICAN BRETHREN. NEUMANN

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 INFO RUMJPG/USLO PEKING 3773  
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 SUBJI SINO-MORO CAN TRADE AND AID  
 REFI A, HONG KONG A-4; B, RABAT 1391  
 SUMMARY: IN PEK NG MOROCCAN FOREIGN MINISTER LARAKI  
 HEARD COURTEOUS WORDS, SIGNED AID AND TRADE AGREEMENTS,  
 BUT HE SAW GENERALLY LOWER LEVEL OFFICIALS. THE PRC HAS  
 BEEN OFFERING MOROCCO AID FOR SOME TIME, POSSIBLY TO  
 SECURE CONTINUED ACCESS TO MOROCCAN PHOSPHATE ROCK.  
 END SUMMARY

1, PRC FOREIGN MINISTER CHIAO KUAN-HUA NA D MOROCCAN  
 MINISTER OF STATE IN CHARGE OF FOREIGN AFFAIRS, DR.  
 AHMED LARAKI, MARCH 19 IN PEKING SIGNED A MEDICAL AID  
 PROTOCOL, A LONG-TERM TRADE AGREEMENT, AND AN AGREEMENT  
 TO BUILD A SPORTS STADIUM IN MOROCCO (NCNA). THE AGREEMENTS  
 WERE FORESHADOWED IN THE CORDIAL BANQUET SPEECHES  
 ON MARCH 15, WHEN CHIAO FORECAST "NEW CONTRIBUTIONS TO  
 FRIENDLY RELATIONS AND COOPERATION" AND LARAKI HOPED  
 TO "ATTAIN FRESH DEVELOPMENTS IN RELATIONS".

2, WHILE VICE MINISTERS OF TRADE AND FOREIGN ECONOMIC  
 RELATIONS ATTENDED THE OFFICIAL BANQUET, OFFICIALS FROM  
 THESE MINISTRIES AT THE TALKS WITH LARAKI WERE ONLY A  
 DEPARTMENTAL DIRECTOR AND A DEPUTY DIRECTOR. SUCH  
 LOW-LEVEL REPRESENTATION BY THESE MINISTRIES, IN CONTRAST  
 WITH THOSE NORMALLY MEETING WITH OTHER FOREIGN DELEGATIONS,  
 SUGGESTS THAT THE AID AGREEMENTS WERE BASICALLY NEGOTIATED  
 BEFORE LARAKI LEFT RABAT, AND ALSO THE MOROCCO DOES NOT  
 RANK VERY HIGH IN THE PRC'S LIST OF LDC TARGET COUNTRIES.

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3, OVER THE PAST FEW YEARS, THE PRC MADE SEVERAL INITIATIVES TO START DISCUSSIONS ON TRADE AND AID, BUT WITH LITTLE MOROCCAN RESPONSE, IN MAY 1972, THE PRC PROPOSED DISCUSSIONS BUT TALKS APPARENTLY PROCEEDED SLOWLY. IT WAS NOT UNTIL FEBRUARY 1974 THAT THE PRC PROPOSED FOR CONSIDERATION FOUR AID PROJECTS : (A) THE SPORTS STADIUM; (B) A TRADE FAIR (C) SERI -CULTURE PROJECT; A (D) A PORCELAIN FACTORY

THE SPORTS STADIUM PROPOSAL WAS APPARENTLY ACCEPTED AROUND THAT TIME, AS THE DESIGNS HAVE BEEN COMPLETED FOR A 50-80 HECTARE, 60,000SEAT SPORTS COMPLEX IN RABAT, ACCORDING TO THE MOSCOW NARODY BANK BULLETIN QUOTING MIDDLE EAST MONEY FEBRUARY 1, 1975.

4, MEDICAL AID TEAMS ARE A COMMON FEATURE OF PRC AID PROGRAMS; AS OF OCTOBER 1974, SUCH TEAMS HAD BEEN SENT TO 16 AFRO-ASIAN COUNTRIES INCLUDING MOROCCO'S NEIGHBORS ALGERIA, TUNISIA, AND MAURITANIA (NCNA).

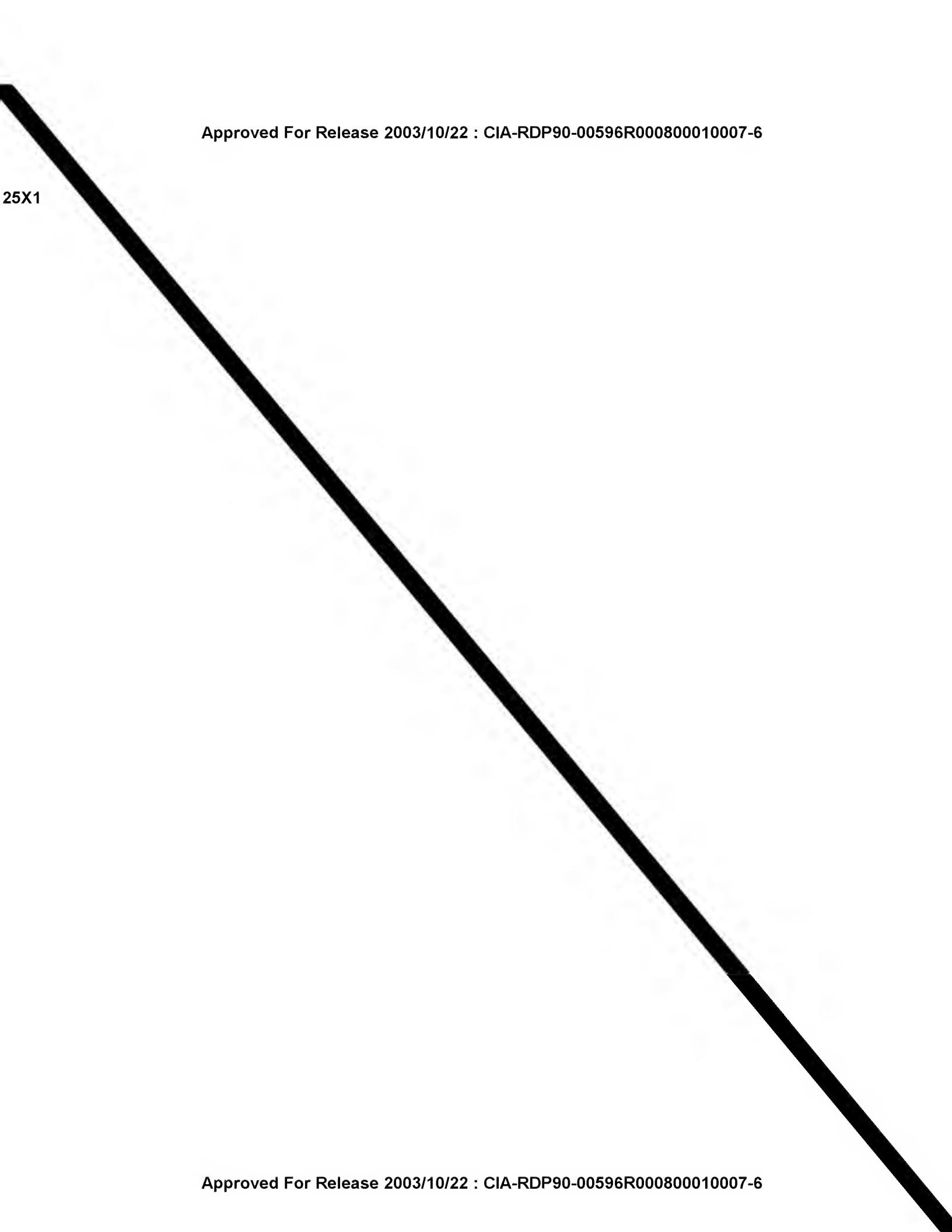
5, TRADE IN PHOSPHATE ROCK SEEMS TO BE THE PRC'S MAIN INTEREST IN MOROCCO, ALONG WITH A GENERAL POLITICAL INTEREST IN THIRD WORLD AND IN ARAB COUNTRIES, IN 1973, THE LAST YEAR FOR WHICH FIGURES ARE AVAILABLE, THE PRC IMPORTED 1.3 MILLION TONS OF PHOSPHATE ROCK FROM MOROCCO, ABOUT 75 PERCENT OF ALL THE PRC'S PHOSPHATE ROCK IMPORTS, AND ABOUT 30 PERCENT OF ALL PHOSPHATE ROCK CONSUMED BY THE PRC. PHOSPHATE ROCK IS NECESSARY TO COMPLEMENT THE INCREASED PRODUCTION OF NITROGEN FERTILIZER FROM PETROLEUM, THE LONG-TERM TRADE AGREEMENT'S PURPOSE MAY BE TO SECURE CONTINUED PRC ACCESS TO MOROCCAN PHOSPHATE ROCK.

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VIII. 15 Aug 75

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The GRPC minister, who claims to be acting on the orders of his prime minister, Mr Neita Henrique Tiago, adds that the government, whose composition was announced today by Luis Ranque Franque, was hurriedly formed and results from Mr Luis Ranque Franque's failure in Kampala to address the heads of state by virtue of his unpreparedness and manifest incapacity to lead the Cabindan people to true independence.

MOZAMBIQUE

## TECHNICAL AGREEMENT SIGNED WITH GDR

Lourenco Marques Radio Clube de Mocambique in Portuguese 1030 GMT 13 Aug 75 LD/EA

[Excerpt] An agreement on technical and scientific cooperation between the GDR and the People's Republic of Mozambique [PRM] was signed this morning in Lourenco Marques. The ceremony, held in the office of the minister of state for the presidency, was attended by GDR Ambassador (Johannes Vogel), who signed the agreement on behalf of the GDR, and a visiting GDR delegation. Comrade Marcelino dos Santos, vice president of FRELIMO and minister of development and economic planning, signed the agreement on behalf of FRELIMO and the Mozambique Government. Also signing were three members of the committee appointed to study the terms of the agreement before it was concluded.

Under this first technical and scientific cooperation agreement between the GDR and the PRM, technicians from the GDR will come to Mozambique and direct schemes aimed at training Mozambican technicians and providing expertise in the fields of animal husbandry, agriculture, industry, education, and health. The agreement also provides for Mozambican students to take refresher or post-graduate courses in various sectors of production in the GDR.

RHODESIA

## PREMIER SMITH ADDRESSES NATION ON CONSTITUTIONAL TALKS

Salisbury Domestic Service in English 1800 GMT 14 Aug 75 LD/BL

[Address to the nation by Rhodesian Prime Minister Ian Smith on 14 August-- presumably recorded]

[Text] Good evening. I would like to add a few comments this evening to the statement on constitutional talks which was issued on 12 August and which arose from the discussions held in Pretoria last weekend.

You will recall that on several occasions recently I have spoken of our frustration at the lack of progress due to the failure of the ANC to come to the conference table. In fact we had reached the conclusion that it was fruitless to proceed any further with the ANC and had set in train alternative plans. At the same time, because of the continuing acts of terrorism, our plans were well advanced for an intensified drive against the terrorists in the north-eastern operational area, and we were about to put into effect certain other security measures.

It was in order to advise my South African colleague, Mr Vorster, of this changed situation that I suggested the Pretoria meeting. From this meeting emerged the fresh initiative which is reflected in Tuesday's statement.

This is probably  
finalization of  
credit offered before  
independence

## Situation in Luanda Calm

Lisbon Domestic Service in Portuguese 1200 GMT 14 Aug 75 LD

[Linkup with Radio Luanda]

[Excerpts] With the withdrawal of the MPLA [National Angolan Liberation Army--armed wing of the FNL]--troops from the port of Sao Pedro da Barra and the (Sacramento) District, the situation in Luanda has become calm in military terms.

However, the capital of Angola has been in a state of great agitation during the last few days because of the shortage of essential goods, especially gasoline and butane gas. There are long queues outside any filling stations that have gasoline and outside gas depots. The few restaurants still open are doing an unusual amount of business and daily exhaust the reserves they manage to obtain.

As far as the rest of the country is concerned, the fact that the Portuguese high commissioner's office did not give the customary situation report yesterday over the official radio would seem to indicate that the situation has improved.

The Luanda morning newspapers today give special prominence to an AFP report published by the Lisbon DIARIO DE NOTICIAS according to which Dr Agostinho Neto [president of the MPLA] had confided to one of this press agency's correspondents that a proclamation of the unilateral independence of Angola before 11 November is not impossible. Although these statements have not been denied, it should be borne in mind that the AFP correspondent normally in Luanda is Bernard (Robies) who is also the agency's correspondent in Kinshasa and a person with strong links with FNL members, a fact which in principle would seem to make it questionable whether he could have received any confidential information from the president of the MPLA.

As a final news item we must add that a delegation of the MPLA, headed by Lucio Lara [member of the MPLA Executive Committee]--left Luanda by air for Lisbon at 1100 hours today.

## Management of Private Banks Suspended

Lisbon Domestic Service in Portuguese 0300 GMT 15 Aug 75 LD

[Text] The management of all the private banks of Angola has been suspended by a decision adopted by the minister of planning and finance of the Transitional Government of Angola, who is an MPLA member. This decision is considered by some observers as a first step toward the unilateral proclamation of the independence of Angola by the MPLA.

CABINDA

GRPC REJECTS RANQUE FRANQUE'S GOVERNMENT

Kinshasa AZAP in French 1900 GMT 13 Aug 75 AF

[Text] Kinshasa, 13 Aug (AZAP)--In a press communique released this afternoon in Kinshasa, Mr Luizi Ballu, foreign minister of the Provisional Revolutionary Government of Cabinda (GRPC), affirms that the GRPC rejects en bloc the government formed today by Luis Ranque Franque, president of the Inshasu section of the FLEC [Front for the Liberation of the Cabinda Enclave].

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TAGS: EAID, EFIN, CH, CI, MZ

SUBJECT: AID FOR MOZAMBIQUE: PRC GIVES BIG BOOST TO TOTAL  
 1. LOCAL NEWS MEDIA GAVE PROMINENT COVERAGE TO PRC-MOZAMBIQUE  
AID AGREEMENT SIGNED JULY 2 BY PRC MINISTER OF COMMUNICATIONS  
YEH FEI AND BY PRM MINISTER OF DEVELOPMENT AND PLANNING  
MARCELINO DOS YANTOS. UNDER AGREEMENT, PRC PROVIDES MOZAMBIQUE  
\$56 MILLION INTEREST-FREE LOAN, WITH AMORTIZATION SCHEDULED  
TO BEGIN IN 1990 BUT WITH NO FIRM DATE SET FOR TOTAL REPAY-  
MENT OF PRINCIPAL. AGREEMENT ALSO REPORTEDLY INCLUDES PROVISIONS  
FOR PRC TO SEND TECHNICIANS TO MOZAMBIQUE.

2. COMMENT: PRC LOAN IS LARGEST SUM OF AID EITHER OFFERED OR  
 RECEIVED BY MOZAMBIQUE UNDER THE MTG AND IS SUCCESSOR THE  
PRM, INCLUDING RECENT AID OFFER OF \$1 MILLION FROM NIGERIA  
 ANNOUNCED DURING INDEPENDENCE CELEBRATIONS. FOREIGN AID  
 COMMITMENTS FOR MOZAMBIQUE SINCE SEPTEMBER 1974 NOW TOTAL  
 AT LEAST \$140 MILLION -- AN IMPRESSIVE SUM. OF THIS TOTAL  
 APPROXIMATELY \$114 IS BILATERAL ASSISTANCE; THE REMAINING  
 \$26 MILLION MULTILATERAL. THIS AMOUNT DOES NOT INCLUDE OFFERS <sup>\$36 mill.</sup>

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14. AID TO GAMBIA WANTS OUT OF THE PEANUT GALLERY  
 GAMBIAN PRESIDENT JAWARA VISITED THE PRC IN MID-JUNE  
 TO DISCUSS USE OF THE 7 MILLION POUND STERLING CREDIT  
 UNDER THE FEBRUARY 1975 AID AGREEMENT. IN BANQUET SPEECHES,  
 JAWARA STRESSED DIVERSIFICATION OF GAMBIA'S ONE-PRODUCT  
 (GROUND-NUTS) ECONOMY. THE CHINESE SHOWED HIM IRRIGATION  
 AND WATER CONTROL PROJECTS, FARM MACHINERY REPAIR SHOPS,  
 AND AGRICULTURAL EXPERIMENTAL PLOTS ALONG THE YANGTZE.  
 THE PROJECTS FINALLY AGREED UPON INCLUDED EXPANSION OF  
 PADDY RICE ACREAGE, INCREASING CHINESE AGRICULTURAL TECH-  
 NIQUES FROM 32 TO 45, AND CONSTRUCTION OF A 100- BED  
 HOSPITAL, A 7,000 PERSON CAPACITY GYM, AND A 100- BED  
 HOSTEL FOR ATHLETES (HK NEW EVENING POST, JUNE 26).

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15. AID TO MOZAMBIQUE

THE PRC COMMUNICATIONS MINISTER AND THE MOZAMBICAN  
 DEVELOPMENT AND PLANNING MINISTER SIGNED ON JULY 3 IN  
 LOURENCO MARQUES AN AGREEMENT ON ECONOMIC AND TECHNICAL  
 COOPERATION (NCNA). IT PROVIDES AN INTEREST-FREE \$56 MILLION LOAN WITH REPAYMENT TO START ONLY AFTER 1990  
 (AGENCIES). THOUGH NOT SIGNED UNTIL MOZAMBIQUE HAD ATTAINED COMPLETE INDEPENDENCE, THE LOAN WAS PROBABLY NEGOTIATED DURING FERLIMO PRESIDENT MACHEL'S VISIT TO PEKING EARLY THIS YEAR (ER 55, HK 2461). THE RELATIVELY LARGE LOAN INDICATED CONTINUED PRC INTEREST IN MACHEL'S GOVERNMENT, WHICH HAS ESPoused ECONOMIC DEVELOPMENT SLOGANS SIMILAR TO PEKING'S. (LIMITED OFFICIAL USE).

16. RECENT REPORTS ON ECONOMIC TOPICS

HK-7374 CHINESE PRESS REPORTS BUMPER SUMMER HARVEST  
 HK-7584 TUNGSTEN--- PRODUCTION/CONSUMPTION STATISTICS  
 HK-7656 PRC WHALING OPERATIONS  
 CROSS

S E C R E T

The transformation of the Zionist entity into an arsenal of destructive weapons, the attempts to strengthen through settlements the Zionist existence on the territory of Palestine--all these liquidationist policies will meet the same fate met by the U.S. imperialist schemings in Indochina.

Esteemed Comrade Teng Hsiao-ping, dear comrades:

The policy of the Government of the Republic of Iraq in international relations is based on mutual respect and on joint, equal cooperation. It believes that it is within the actual ability of the countries of the Third World and the non-aligned movement to play an influential role in international life, which they have actually done. Iraq has invariably sought to consolidate relations among those countries and promote solidarity with them. With regard to our neighbour, Iran, thanks to our common goodwill, a final and immutable solution has been arrived at to the problems which had disturbed relations with Iran over a long period.

Allow me, comrade, to reiterate my thanks and those of the members of the Iraqi delegation for the warm reception accorded to us.

Allow me to propose a toast to the health of Chairman Mao Tsetung, to your health, dear comrade, to the Iraq-Chinese friendship, and to the health of all friends present here.

Talks Continue With Teng

Peking NCNA in English 1313 GMT 5 Jul 75 OW

[Text] Peking, July 5, 1975 (HSINHUA)--Vice-Premier Teng Hsiao-ping and Taha Muhyi ad-Din Ma'ruf, vice-president of the Republic of Iraq and leader of the Iraqi government delegation, continued talks here this afternoon.

PRC-MOZAMBIQUE ECONOMIC, TECHNICAL AGREEMENT SIGNED

Peking NCNA in English 1314 GMT 3 Jul 75 OW

[Text] Lourenco Marques, July 3, 1975 (HSINHUA)--An agreement on economic and technical cooperation between the People's Republic of China and the People's Republic of Mozambique was signed here yesterday.

It was signed by Chinese Minister of Communications, head of the Chinese government delegation Yeh Fei and Mozambican Minister of Development and Economic Plan Marcelino Dos Santos on behalf of their respective governments. Present at the ceremony were Mozambican Minister of Agriculture Joaquim Ribeiro de Carvalho and other officials. On the Chinese side, Chinese Ambassador to Mozambique Lin Chung and other members of the Chinese government delegation were present.

BRIEFS

EXHIBITION IN BERNE--Berne, June 15--A pictorial exhibition, "Women in New China," ended its 3-day show here today. It was sponsored by the Berne Society of Friendship With China. The exhibits showed the life and work of Chinese women, their role in political, economic, cultural and military affairs, and their enthusiasm in criticizing Confucius and Lin Piao. Some pictures showed in particular the life of women and children of Chinese national minorities. [Excerpt] [Peking NCNA in English 0848 GMT 16 Jun 75 OW]

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PRC  
INTERNATIONAL AFFAIRS

The civilization of this century, which is characterized by advanced and fast-moving technology, is being applied today in two completely different, and I may say, conflicting ways in terms of methods and aims. While the intellect and inventiveness of man are utilized during the last quarter of the twentieth century to achieve a social and cultural breakthrough for mankind within the progressive part of the world, the entire creativeness of the human mind is harnessed to destroy the civilization of man by the imperialist circles, and man's very existence, security and tranquillity are put in grave jeopardy. Vis-a-vis these two diametrically opposed applications, our two countries occupy one and the same position; Our people is following with keen interest the gigantic achievement scored within Chinese society. You are doubtless acquainted, to the same extent, with the path traversed by our people in the achievement of social and economic progress and in pursuing its fearless struggle against imperialism and Zionism.

The attainment by more than 800 million Chinese men and women of such advanced position in the realm of social progress indeed evokes the interest of humanity at large, and evokes in particular the interest of the countries of the Third World, to which we belong. This fact presents the question of the triumph of the will of the peoples in their struggle for liberation and social progress as an imperative historical logic of the movement of human history, just as the decisive victory by our people in Iraq against the oil monopolies, thanks to its unremitting struggle under the leadership of the Arab Ba'th Socialist Party, was an inspiring event for the countries of the Third World and for the peoples of the world at large.

Dear Comrade Teng Hsiao-ping, esteemed comrades:

We are also happy that in visiting your great country we find ourselves so close to a part of the world which has served over long years and is still serving as a model of valiant and tireless struggle against aggression and foreign intervention. The peoples of Indochina have broken the backbone of imperialism. The will of the peoples of Vietnam and Cambodia, in their legitimate struggle for their sovereignty and freedom, has triumphed. But the imperialists fail to learn the lessons of history. Up to this day, those self-same imperialist circles insist on the continued stationing of their aggressive forces in South Korea under pretexts which convince no one. We have time and again emphasized that the proposals put forward by the Democratic People's Republic of Korea serve as a good basis for the reunification of the two parts of Korea. The imperialists bear exclusively the responsibility of hindering the South Korean people from its exercise of the right to self-determination without any foreign interference.

In our Arab homeland, the hot-bed of tension is liable to explosion at any moment, due to the illegitimate existence of an alien entity which was imposed on the Arab people and the peoples of the area, and on the Palestinian Arab people itself, after a series of imperialist conspiracies and aggressive wars. Because imperialism and Zionism are two faces of one coin, the same methods practiced by imperialism on the peoples of Indochina are now being practiced in the Arab region.

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## MPLA OFFICIAL CITED ON ALLEGED FNIA TROOP MOVEMENTS

Nairobi Domestic Service in English 1000 GMT 11 Jun 75 LD/EA

[Text] A member of the Angolan MPLA liberation movement, Mr Lucio Lara, has claimed in Paris that armed and trained troops of the rival FNLA Angolan liberation movement were pouring into Angola from a neighbouring country without being stopped by Portugal.

He has alleged that Portuguese authorities in Angola were against the MPLA movement. He further claimed that the FNLA troops had often been allowed to stay in Portuguese Army barracks in Angola. Mr Lara refuted allegations that the Soviet Union backed the MPLA while China supported the FNLA, but added that four shiploads of war material from the Soviet Union and Warsaw Pact countries had been turned away from Luanda port on orders from Portuguese high commissioner, because they were destined for the MPLA troops.

STAT

## MOZAMBIQUE

## LAST ROUND OF FRELIIMO-PORTUGUESE TALKS BEGIN

Lourenco Marques Radio Clube de Mocambique in Portuguese 1030 GMT 11 Jun 75 LD/EA

[Text] The last round of talks to be held between FRELIIMO and Portugal on matters outstanding and on future cooperation between the two countries began this morning in Lourenco Marques. Participating are a delegation of the Mozambique Transitional Government and an 11-man Portuguese delegation which arrived in the country yesterday.

## PRC MINISTER TO LEAD DELEGATION TO INDEPENDENCE CEREMONY

Lisbon Radio Clube Portuguese in Portuguese 0000 GMT 12 Jun 75 LD

[Summary] A large Chinese delegation is due in Mozambique for the independence celebrations on 25 June. The delegation includes representatives of trade unions, women and youth organizations, journalists and groups of singers and dancers.

"The PRC has symbolically donated to FRELIIMO 10,000 colored balloons to be released on independence day. A Chinese freighter is due in Lourenco Marques harbor in a few days with 30,000 tons of wheat, a gift to the Mozambican people. A reliable source has told ANI that the Chinese Government delegation to the independence celebrations will be led by the communications and transport minister. The future Chinese ambassador in Mozambique will arrive with the delegation."

A Chinese diplomatic delegation is already in Lourenco Marques to prepare the setting-up of the Chinese Embassy.

## NO TOURISTS ALLOWED DURING INDEPENDENCE CELEBRATIONS

Lourenco Marques Radio Clube de Mocambique in Portuguese 0500 GMT 12 Jun 75 LD/EA

[Summary] In order that the country's specialized manpower can be available for the great number of guests invited to attend the forthcoming independence celebrations, a directive was issued last night by the Transitional Government which says that no tourists will be allowed to visit the country from 12-30 June and that all tourists currently in the country must leave by 15 June.

Oil aid  
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The directive also said that foreign press correspondents wishing to cover the independence celebrations must first apply to the Ministry of Information for their accreditation.

The government said these measures did not mean that the country's borders would be closed during the period in question, adding that any person visiting the country on business or for any nonpolitical purpose could enter the country as before, subject to approval by the Ministry for Internal Administration.

SALISBURY PAPER: FRELIIMO REBUILDING BOASTS ARE 'BRAVADO'

Salisbury Domestic Service in English 0500 GMT 6 Jun 75 LD/BL

[Text] A report in today's issue of the FINANCIAL GAZETTE says that FRELIIMO leaders in Mozambique have been forced by hard economic realities to revise their relations with Rhodesia and South Africa. The report says the country will need at least \$500 million dollars a year to maintain its economy in the first 10 years of independence. It adds that Rhodesia and South Africa are the mainstays of the country's economy and that boasts by FRELIIMO of rebuilding the country from scratch are sheer bravado.

#### RHODESIA

ZAPU LEADER DECLINES COMMENT ON CHIKEREMA'S CHARGE

Paris AFP in English 2025 GMT 8 Jun 75 AF

[Text] Garborone, Botswana, June 8 (AFP)--Zimbabwe African People's Union (ZAPU) leader Joshua Nkomo today refused to comment on an accusation from another Rhodesian nationalist leader that he had made "a secret deal" with Rhodesian Prime Minister Ian Smith.

Mr Nkomo, whose organization is officially merged within the African National Council (ANC) had been accused of a deal which would in effect guarantee the perpetuation of white minority rule in Rhodesia, by Zimbabwe Liberation Front (FROLIZI) leader James Chikerema.

Mr Nkomo, who is on a three-day visit to Botswana, made his "no comment" reply when he talked to newsmen here in the Botswana capital.

#### SOUTH AFRICA

POSSIBLE URANIUM ENRICHMENT PLANT--The South African minister of mines, Dr Piet Koornov, has announced in the assembly that South Africa is in a position to embark upon a full-scale uranium enrichment plant capable of earning (?the country) at least 250 million rands a year in foreign exchange. Speaking on the mines vote, Dr Koornov said the private sector in South Africa would be able to take part in the project and possibly also foreign interests with whom negotiations were in progress. The minister said South Africa was also in a position to produce uranium (?hexa-floride) the [word indistinct] material for a uranium enrichment plant in sufficient quantities for full-scale production of enriched uranium on a commercial scale. [Text] [Johannesburg International Service in English 1600 GMT 11 Jun 75 LD]

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## AIRGRAM

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FROM : AmEmbassy RABAT  
 E.O. 11652: GDS  
 SUBJECT: Weekly Summary No. 12 - March 18 - 24, 1975

REF TAGS: PFOR PINT MO

Laraki Ends Visit to PRC: GOM Foreign Minister Ahmed Laraki left the Peoples Republic of China March 21 after a six-day official visit which took him to Peking, Nanking, Soochow and Shanghai. Laraki was accompanied by a delegation composed largely of economic specialists.

Highlights of the visit were Laraki's meeting with Premier Chou En-lai March 17th in a Peking hospital and the signing of a long-term trade agreement and a protocol on medical cooperation. The agreement updates one signed in 1963. Laraki and PRC FonMin Chi'ao Kuan-hua also exchanged letters on cooperation in the areas of agriculture, traditional industry and irrigation and finalized the accord for a previously agreed upon sports complex to be built here with PRC aid.

Local press reports of the trip have stressed the cordiality of Laraki's reception in all four cities but shed little light on the substance of his talks with Chou or on the provisions of the accords. The GOM has maintained official silence and no joint communique has appeared as of March 24th.

Comment: Although we have no details on the accords, we understand that the trade agreement will regularize payment modalities, substituting cash exchanges for the existing barter arrangement. The PRC embassy here has restricted its private comments to stating that trade would be expanded. The sports complex, which we hear will include a 60,000 seat arena, will obviously give the PRC maximum exposure

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for its investment.

With no official statements, and the semi-official press showing uncharacteristic restraint in its reporting, the GOM seems to be playing its thinking on bilateral relations with the PRC close to the vest. There has, in fact, been little for the press to seize on. Although doubtlessly an important item on Laraki's list of subjects for discussion, Morocco's campaign to recover the Spanish Sahara and the northern enclaves was publicly mentioned in only the most indirect fashion by local Chinese authorities in Nanking, Soochow and Shanghai, according to press coverage here.

It is difficult to assess at this point how Laraki's relatively long and leisurely visit bears on the GOM's approach to the broader subject of Far East relations. There has been no recent sign of change in the GOM's relatively favorable past attitude towards the Republic of Viet-Nam or the Lon Nol regime in Cambodia, but the next go-round on seating in international organizations may provide an acid test. The Korean Embassy here, in any case, views the Laraki visit to China as an ominous signal of a possible forthcoming GOM reassessment of its ties with the pro-Western regimes. While a precipitous change in GOM policy is unlikely, in our view, the GOM is no doubt looking closely at the deteriorating general situation in Southeast Asia. It will also be keeping an eye on the attitudes of its moderate Arab and African brethren, with whom it feels obliged to stay reasonably in step.

Territorial Campaign: The propaganda front has remained relatively active this week. The local press reported March 22 that the creation of the "Front for Liberation and Unity" (FLU) had been announced in a tract distributed in the Spanish Sahara. Origins of the new outfit are obscure, but the published text of the tract calls for reintegration of the Sahara with Morocco by "firing pistols and rifles to pierce the skulls of the colonialist rulers". The Koran is appropriately cited throughout in exhortation and justification.

Although the semi-official press has featured the birth of the Front in a low key, the Rabat domestic radio service in Arabic broadcast the text of the tract in its entirety and characterized the organization as a true grass roots movement. The commentary added that more will no doubt be heard from the Front in the future. The Istiqlal daily L'Opinion front-paged the news, also presenting the Front as the voice of the Sharan people.

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INDIA &amp; NEPAL

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"It is necessary to drill a few more wells before making an assessment of the full production of this structure," Mr Malaviya said. The ONGC would be able to finalize the production programme for the Bombay High structure only after assessing its full potential, he added.

## DETAILS ON INDO-SOVIET SCIENTIFIC COOPERATION AGREEMENT

Bombay PTI in English 1500 GMT 18 Feb 75 BK

[Text] New Delhi, Feb 18 (PTI)--India and the Soviet Union today signed a 5-year agreement on joint research in several science projects including geological investigation of areas offshore western India using deep seismic sounding techniques. The agreement was signed by academician A. P. Vinogradov, vice president of the USSR Academy of Sciences, and Dr A. Ramachandran, secretary to the Department of Science and Technology here.

The offshore area to be studied will extend up to 300 kilometres from the coast. The study will essentially provide geological information but the findings may have relevance to oil exploration. The Soviet Union will supply equipment for the offshore seismic sounding study which will be done in collaboration with the Oil and Natural Gas Commission, the National Institute of Oceanography and the Geophysical Research Institute in Hyderabad.

Other joint programmes under the agreement include geothermal sources, evaluation of extraterrestrial materials, liquid crystals, superconductivity and research on nitrogen fixation by microbes directly from air.

Combined research projects in the field of nuclear physics will also be initiated at the Soviet nuclear centre in Dubna.

Before signing the agreement Prof Vinogradov told newsmen the offshore study "is an extension" of the joint Indo-Soviet seismic project that had so far been conducted in the Indian Peninsula under an agreement signed 5 years ago.

The three seismic sounding experiments carried out between Madras and Bangalore in south India "have provided interesting data about earth structure to a depth of 60 metres," the academician said. The soundings may provide information on mineral deposits but so far no deposits have been located as a result of the joint study, he added.

NEPAL

## REPORTAGE ON RELATIONS WITH PRC

## Agreement on Highway Construction Signed

Katmandu Overseas Service in English 1450 GMT 2 Feb 75 BK

75m?

[Text] China is to provide free financial grants and technical aid to Nepal for construction of the 407 km-long Pokhra-Surkhet highway. An agreement to this effect was signed between His Majesty's Government of Nepal and the Government of the People's Republic of China at the function held at Singha Durbar today. According to the agreement, the Government of the People's Republic of China is to assist his majesty's government of Nepal in the construction of the Pokhra-Surkhet highway by providing free financial grants and technical aid in the form of the necessary number of engineering and technical personnel, road-building machines, tools and materials and general commodities, the sale proceeds of which is to be used in meeting local expenses for construction, says the press release of the Finance Ministry.

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INDIA &amp; NEPAL

The press release adds: The 407-kms-long highway will have 11 large bridges, more than 300 medium size bridges and more than 2,500 culverts. The agreement was signed on behalf of his majesty's government by Dr Bhekh Bahadur Thapa, minister of state for finance, and Mr Tao Chi, deputy minister and leader of the Chinese Government economic delegation now in Nepal in pursuance of the joint communique issued at the end of the state visit of his majesty the king to the People's Republic of China

His majesty's government has expressed sincere thanks to the Government of the People's Republic of China for their continued interest and assistance in Nepal's economic development efforts. The (?concerned) circles roughly estimate that the cost of the highway would come to about 800 to 900 million rupees at the present price level. Construction of the highway will begin from the next fiscal year, the first year of Nepal's Fifth Plan.

According to a preliminary survey the highway will connect Baglung, (Bartiwang) and Jakarkot and pass through an altitude of about 10,000 feet at certain points.

Speaking at the function, leader of the Nepalese side and Minister of State for Finance Dr Bhekh Bahadur Thapa, said this road is the biggest project to be undertaken in Nepal so far with the assistance of a friendly country. Dr Thapa noted that the importance of this road for the economic development of Nepal--particularly in the context of Nepal's new strategy of regional development--could hardly be exaggerated. He said by agreeing to assist Nepal in a project of this magnitude, the People's Republic of China has once again demonstrated its sincere desire to support and assist Nepal in her development efforts.

He further said, over the years leaders of both the countries have worked sincerely for a warm and lasting friendship based on the five principles of peaceful coexistence. Dr Thapa added that unremitting efforts made by his late Majesty King Mahendra in fostering strong ties of mutual understanding and close cooperation between the people of the two countries and dedication with renewed vigor by his majesty the king to further the cause of Nepal-China friendship will continue to inspire the Nepalese people.

That ever since the establishment of diplomatic relations between the two countries nearly two decades ago, Nepal and China have cooperated in the economic field on the basis of equality and mutual respect, Dr Thapa said many projects have been completed under the Chinese assistance providing considerable benefits to the people of Nepal. He said we in this country very much admire and appreciate the spirit and dedication of the Chinese friends and technicians who have worked under the most difficult conditions to fulfill the target of successfully executing the project in time. Dr Thapa hoped that the Nepalese technicians to be associated with this project would work still harder and take new [words indistinct] cooperation to their Chinese counterpart in the successful completion of this project.

He thanked Mr Tao and the Government of the People's Republic of China for understanding Nepal's aspirations and requirements in the field of economic development. Dr Thapa expressed confidence that the scope of economic cooperation between the two countries would continue to be widened in the future.

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INDIA &amp; NEPAL

Speaking on the occasion, the leader of the Chinese economic delegation, Deputy Communications Minister Tao Chi, said the agreement concluded today between Nepal and China for the construction of Pokhra-Surkhet road will mark further expansion of the areas of economic cooperation between the two countries. He added that this will play a positive role in promoting friendship between the people of the two countries. Mr Tao said, with a long historical background Nepal is a culturally rich country and the Nepalese people are hard working, intelligent and brave. He said the government and the people of Nepal under the able leadership of his majesty the king have made remarkable achievements in safeguarding national independence and sovereignty and bolstering of national economy. He added the Nepal has been playing an (?increasingly) helpful role in international sphere as well. He expressed his sincere happiness over the successes attained by his majesty's government and the people of Nepal in the development of the country and mobilizing manpower and resources in order to become self-reliant. He wished the Nepalese people to attain new and greater success in their efforts to develop the country.

Noting that China regarded all nations, big or small, as equal, Mr Tao said that China was strongly opposed to the power politics and hegemony and threats and intimidation by big-to-small, harrassment of the poor by the rich and domination of the weak by the strong. The Chinese deputy minister assured that the Chinese Government, in future, will continue its firm support to the government and the people of Nepal in their efforts for safeguarding national independence and sovereignty and against foreign intervention.

Present at the agreement-signing ceremony were ministers, heads of constitutional bodies, high officials of his majesty's government and Chinese officials.

PRC Delegation Returns to Katmandu

Katmandu Overseas Service in English 1450 GMT 5 Feb 75 HK

[Text] Mr Tao Chi, leader of the visiting Chinese economic delegation and deputy minister for communications, and other members of the delegation returned to Katmandu today from Pokhra. Vice Chairman of the Planning Commission Dr Harka Gurung, Chinese ambassador to Nepal Mr Tsao Chih and Royal Nepalese Ambassador to China Mr Chhetra Bikram Rana, who had accompanied the delegation, also returned today. The delegation visited scenic spots in Pokhra and also inspected the livestock development farm.

A reception in honor of the delegation was held at Pokhra last night by Kasti District Panchayat [assembly] president, Mr Thambar Bahadur Karki. Speaking at the reception, Mr Tao expressed the view that the Nepalese people, who are confidently marching ahead on the path of progress, are certain to achieve success in their noble effort to develop the country under the leadership of his majesty the king. He also referred to the agreement reached between Nepal and China concerning the 470 km Pokhra-Surkhet highway, and said that the agreement was an outcome of the goodwill and efforts of the Nepalese people. He hoped that Nepal-China friendship would grow further in the days to come.

The Kasti District Panchayat president, Mr Karki, appreciated the Chinese cooperation in the economic development of Nepal and hoped that the friendship between the two countries would continue to grow in future. The delegation had left Katmandu for Pokhra yesterday.

V. 20 Feb 75

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INDIA &amp; NEPAL

## Economic Talks End in Katmandu

Katmandu Overseas Service in English 1450 GMT 7 Feb 75 BK

[Text] The Nepal-China talks for the expansion of the areas of economic cooperation between the two countries concluded in Katmandu today. In the talks the Nepalese delegation was led by the minister of state for finance, Dr Bhekh Bahadur Thapa, and the Chinese side was led by the vice minister of communication, Mr Tao Chi. The Chinese economic delegation is leaving Katmandu for home tomorrow.

## Press Hails Visit of PRC Delegation

Katmandu THE RISING NEPAL in English 10 Feb 75 p 4 BK

[Editorial: "Successful Outcome"]

[Excerpts] A study of the joint communique issued on Saturday on the conclusion of the visit of the Chinese economic delegation to Nepal, headed by the Chinese Vice-Minister for Communications Mr Tao Chi, reveals most of all the high degree of cordiality and understanding that marks the ties between the Kingdom of Nepal and the People's Republic of China. This is well illustrated not only by the joint acknowledgement expressed by the two sides that the results of the discussions held during the visit of the Chinese economic delegation were of great satisfaction but also amply borne out by both the Chinese appreciation of the warm reception accorded to members of the economic delegation in Nepal as well as by Nepal's equally warm praise for China for having so convincingly demonstrated her continued interest in Nepal's economic development.

The major outcome of the visit of the economic delegation from the People's Republic of China--the agreement on the proposed construction, with Chinese assistance, of the 407-kilometre long Pokhara-Surkhet highway has been highlighted in the joint communique. Considering both the dimensions of this development project as well as its very tangible and far reaching economic and social implications, it is perfectly understandable that specific mention of agreement on this should have thus been formally recognised and so recorded, especially as it constitutes a living example of China's understanding and sympathy for the cause of Nepal's development.

This apart, however, it may also be relevant to remark that what the joint communique also conspicuously highlights is that significant as the agreement on the Pokhara-Surkhet highway is, this represents an indicator of the scope not only of Nepal-China cooperation at the present time but, significantly, of the shape and pattern of things to come in the field of such joint cooperation in the future.

Though the joint communique is thus an eloquent testimony to the thriving health of Nepal-China relations, on the economic cooperation level, it also stands out as a document embodying the excellence and rapport that exists between the two friendly, neighbouring countries at the political level as well. This is borne out not only by the quantum of Chinese assistance in Nepal's determined bid at promoting rapid and balanced economic growth but also by the "high praise" by the Chinese side of the "marked achievements scored by the Government and people of the Kingdom of Nepal under the leadership of His Majesty King Birendra in safeguarding national independence and state sovereignty and developing their national economy through self-reliance."

V. 5 Mar 75

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INDIA

Dr Nayadamma said that no specific projects for joint work have been identified yet and the agreement "is only a sign of goodwill and friendship". The specific projects in each selected field will be identified by a joint committee which will start alternatively visiting Iraq and India.

Second Protocol on Projects Signed

Delhi Domestic Service in English 0930 GMT 2 Mar 75 BK

[Text] A protocol for the exchange of scientists and research scholars for conducting joint researches in the field of agriculture and animal sciences was signed between India and Iraq in New Delhi today. Under the protocol the Indian Council of Agricultural Research will send experts for assignment at Iraq's Foundation of Scientific Research. A joint committee will also be set up to review the progress.

SOVIET ENVOY TO NEPAL PRESENTS RELIEF GOODS

Katmandu Overseas Service in English 1450 GMT 3 Feb 75 BK

[Text] The Soviet ambassador to Nepal, Mr Kirnasovskiy, handed over to the chairman of the Nepal Red Cross Society, Her Royal Highness Princess [word indistinct] material worth 280,000 rupees presented by the Soviet Red Cross and Red Crescent Societies for victims in natural calamities at a (special) function held in Katmandu today. Also present on the occasion was the chairman of the Natural Calamity Relief Committee, Her Royal Highness Princess Sharada Shah.

At the handing-over ceremony, vice chairman of the Nepal Red Cross Society, Mr Matrika Prasad Koirala, thanked the Soviet Red Cross and Red Crescent Societies for the valuable donation and said their thoughtful gesture will further strengthen the relationship between Nepal and the Soviet Union.

Speaking on the occasion, the Soviet ambassador, Mr Kirnasovskiy, expressed happiness at the opportunity of handing over relief material, medicine, and equipment to the Nepal Red Cross Society and [word indistinct] hospital on behalf of the Soviet Red Cross and Red Crescent Societies. He confirmed the hope that the material would be considered by the Nepal Red Cross Society and by the Nepalese people as a token of friendship and sympathy of the Soviet people for the people of Nepal.

BRIEFS

COOPERATION AGREEMENT SIGNED--The Australian and Indian governments have signed an agreement on scientific and technical cooperation. The agreement was signed in New Delhi yesterday by the Australian minister for foreign affairs, Senator Willesee, and the Indian minister for external affairs, Mr Chavan. Senator Willesee said the agreement would further strengthen the close relationship existing between the two countries. There would be exchanges of scientists and information for the development of joint research projects and cooperation in other areas of mutual interest. Australia has similar agreements with the United States and the Soviet Union. [Text] [Melbourne Overseas Service in English 0845 GMT 27 Feb 75 ID]

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INDIA

Even so Pakistan already spends 10 per cent of its GNP on defence as against India's 3 per cent. The contrast is more remarkable when the dispositions that India must needs maintain on other fronts is taken into account. In the circumstances, a so-called "balance" can amount to local Pakistani superiority on the borders with India.

If it was not for Pakistan's confidence that it enjoyed this local parity or superiority, there would have been no recourse to aggression against India on three separate occasions.

Washington is not ignorant of these facts. Washington must also know that American help in arms has only led to Pakistan obduracy in working towards the ultimate guarantee of security and peaceful progress in the subcontinent--good-neighbourly relations with India. In this sense, American encouragement of the military ambitions of Pakistan's present establishment does ill-service to Pakistan's own interests.

Washington has added insult to injury by the left-handed reference to India's peaceful nuclear programme as one of the motivations for the change in the 10-year policy of embargo. U.S. arms are given a role in dissuading Pakistan from launching on its own programme. Curiously, it is also admitted that Pakistan has accepted no restraint on this score.

India has unequivocally made its views on this issue known to Washington. The American administration's action constitutes a setback to the evolution of a mature relationship between the two countries. Of that there can be no doubt. Nevertheless, Indian reaction must take into account the totality of the relationship with the U.S. There have been hopeful recent trends in a constructive direction. These must be strengthened. It may be that the effort will convince the U.S. of the need for restraint in arms deliveries to Pakistan if a perilous arms race is to be avoided.

#### REPORTAGE ON RELATIONS WITH IRAQ

##### Agreement on Scientific Cooperation Signed

Bombay PTI in English 1500 GMT 1 Mar 75 BK

[Text] New Delhi, Mar 1 (PTI)--Iraq would recruit Indian experts in several fields with the assistance of the Indian Council of Scientific and Industrial Research (CSIR), according to an agreement signed today.

The agreement (which is a sequel to the 1973 cultural agreement) was signed by CSIR Director General Dr Y. Nayadamma and Dr Naji Abdul Kadir, president of the Iraq Scientific Research Federation.

Under the agreement India and Iraq will collaborate in research on petroleum, petrochemicals, engineering, construction designs, material and certain aspects of space science.

Dr Kadir told newsmen that under the agreement the Iraq Foundation of Scientific Research would recruit with CSIR help experts in several fields. He said India has a lot of manpower "that Iraq lacks."

The actual number of experts sought is about 20, but the number is variable, Dr Kadir said. In addition to direct recruitment for jobs in Iraq, the agreement provides for a regular exchange of scientists for short duration, he added.

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 TAGS: PFOR, EAID, NP, CH

OBJECT: CHINESE ECONOMIC MISSION DEPARTS NEPAL  
 REFI KATHMANDU 6561'

1. THE CHINESE ECONOMIC DELEGATION WHICH HAD ARRIVED IN KATHMANDU JANUARY 28 DEPARTED FEBRUARY 8. ALTHOUGH THERE HAD BEEN SPECULATION IN THE PRESS THAT THE CHINESE WOULD AGREE TO UNDERTAKE SEVERAL NEW PROJECTS, THE ONLY AGREEMENT FORMALLY SIGNED WAS FOR THE MIDDLE HILLS ROAD RUNNING FROM POKHARA TO SURKHET. SEE REFTEL FOR REPORT ON THIS PROJECT. MINISTER OF STATE BHEKH THAPA REPORTED HOWEVER THAT CONSTRUCTION WOULD SOON COMMENCE WITH CHINESE COOPERATION, ON A TEXTILE FACTORY, A BRICK AND TILE FACTORY, AND THE GORKHA-NARAYANGHT ROAD, FOR WHICH AGREEMENTS HAD PREVIOUSLY BEEN SIGNED.

2. WHILE IN NEPAL, THE CHINESE DELGATION LED BY VICE MINISTER OF COMMUNICATIONS TAO CHI, RECEIVED AN AUDIENCE WITH KING BIRENDRA AND CALLED ON VARIOUS GOVERNMENT OFFICIALS, INCLUDING PRIME MINISTER RIJAL AND FOREIGN MINISTER KARKI. THE JOINT COMMUNIQUE ISSUED AT CONCLUSION OF VISIT REPORTED THAT THE TWO SIDES HAD "A FULL EXCHANGE OF VIEWS CONCERNING FURTHER DEVELOPMENT OF ECONOMIC AND TECHNICAL COOPERATION BETWEEN THE TWO COUNTRIES IN THE DAYS TO COME AND THAT BOTH SIDES EXPRESSED THEIR READINESS TO CONTINUE FOR THE FURTHER DEVELOPMENT OF ECONOMIC AND TECHNICAL COOPERATION BETWEEN THE TWO COUNTRIES." ONLY COMMENT WITH ANY POLITICAL CONTENT CONTAINED IN COMMUNIQUE WAS STATEMENT THAT THE "CHINESE GOVERNMENT ECONOMIC DELEGATION HIGHLY PRAISED THE MARKED ACHIEVEMENTS SCORED BY THE GOVERNMENT AND PEOPLE OF NEPAL

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UNDER THE LEADERSHIP OF KING BIRENDRA IN SAFEGUARDING NATIONAL INDEPENDENCE AND STATE SOVEREIGNTY AND DEVELOPING THEIR NATIONAL ECONOMY THROUGH SELF RELIANCE."

3. COMMENT: THAPA'S COMMENTS REFER TO THE TEXTILE FACTORY AT HETAURA AND A BRICK AND TILE FACTORY IN SURYAVINAYAK NEAR KHAKTAPUR FOR WHICH AGREEMENTS HAD BEEN SIGNED IN 1974. FOLLOWING EXTENDED PRELIMINARY WORK, CONSTRUCTION IS SCHEDULED TO BEGIN SHORTLY. ACCORDING TO GON OFFICIALS, DETAILED SURVEY WORK HAS ALSO BEEN COMPLETED ON THE GORKHA-NARAYANGHAT ROAD, AND CONSTRUCTION SHOULD ALSO BEGIN SHORTLY ON THIS PROJECT. FOREIGN MINISTRY OFFICIALS HAVE TOLD THE EMBASSY THAT THE GON DID NOT EXPECT THE PRC TO AGREE TO ANY NEW PROJECTS OTHER THAN THE POKHARA-SURKHET ROAD AT THIS TIME. A CHINESE TEAM IS HOWEVER PRESENTLY CONDUCTING A SURVEY FOR HIGH LAND IRRIGATION IN NEPAL. FOLLOWING COMPLETION OF THE IRRIGATION PHASE OF THE STUDY, A SEPARATE CHINESE TEAM WILL ARRIVE TO SURVEY POWER REQUIREMENTS NECESSARY TO LIFT WATER FOR IRRIGATION. IF THESE SURVEYS RESULT IN FAVORABLE CONCLUSIONS, IT IS LIKELY THAT THE CHINESE WILL AGREE TO UNDERTAKE A COMBINED IRRIGATION-HYDRELECTRIC PROJECT IN NEPAL. CARGO

C O N F I D E N T I A L

The motion reiterated a statement made earlier by Bolivian Foreign Minister Alberto Guzman Soriano in which he denounced the new U.S. trade act as discriminatory and an obstacle to the Third World countries' development of foreign trade.

#### SWISSAIR TO BEGIN SERVICE TO PEKING, SHANGHAI IN APR

Hong Kong AFP in English 0640 GMT 1 Feb 75 OW

[Text] Hong Kong, Feb 1 (AFP)--Swissair will introduce service to Peking and Shanghai effective from April 6, 1975, a spokesman said today for the airline's delegation which has just completed an 11-day visit to China.

The Swiss delegates, who returned yesterday, had "very useful and successful discussions" with officials of the Civil Aviation Administration of China (CAAC) during their 7-day stay in Peking and 3-day visit in Shanghai. They spent the last day in Canton.

The eight-man Swissair delegation led by Mr Adolphe L. Gehriger, vice president of the airline, received "the most cordial and hospitable reception" from CAAC, the spokesman said.

The two sides reached agreement on many technical points discussed during the recent visit by the Swissair executives and technical experts on operations, maintenance and catering.

Among the delegates were Mr Roger Pasquier, Swissair's nominated representative in Peking and Mr Maximilian Schmid, the airline's nominated station manager and flight dispatcher in Peking.

China and Switzerland signed a civil aviation agreement in principle at Berne in November, 1973, and further discussions were held in Peking and Shanghai to thrash out the technical details.

The airline's delegation is scheduled to return home by air this afternoon.

#### CONTRACT FOR MILLION TONS OF AUSTRALIAN WHEAT SIGNED

Melbourne Overseas Service in English 0845 GMT 31 Jan 75 LD

[Text] China has signed a contract to buy 1 million tons of Australian wheat, estimated to be worth about \$120 million. The chairman of the Australian Wheat Board, Mr Cass, said the wheat would be shipped between April this year and March 1976. The sale is the second stage of a long-term agreement with China. It provides for payment plus interest within 1 year of the shipment. The Chinese wheat contract was negotiated this week in Canberra and Melbourne.

U.S. PROFESSOR: PRC OIL RESERVES NOW EXCEED MIDEAST'S

Hong Kong AFP in English 0330 GMT 2 Jan 75 OW

[Text] Hong Kong, Feb 2 (AFP)--China's known oil reserves now exceed all known oil-fields in the Middle East, Professor Ho Ping-ti of Chicago University wrote in the February issue of the SEVENTIES monthly published here today.

Quoting reliable Chinese sources he had met on a visit to China last summer, Professor Ho said China's oil production will reach 100 million tons by this year and is expected to exceed 300 million tons by 1980.

Tanzanian paper UHURU says in an editorial on January 31 that "this great important day is not only for Angola but for the whole of Africa."

Big efforts may be done to disrupt Angola's independence. Heroism is needed by the Angolan people to fight enemies and puppets, and unity is very much needed to ensure independence, the editorial adds.

Another Tanzanian paper SUNDAY NEWS comments today that the Angolan people have come to the conclusion that armed struggle is the only way for Angola to win freedom.

The paper stresses: "The Angolan people's triumph is only a stage on the road to final victory." In particular, vigilance will be needed to crush attempts by imperialism to create differences by subverting the new administration.

The Kenyan paper SUNDAY NATION in an editorial today hails the establishment of the transitional government as a "remarkable progress made by the people of Angola in achieving their independence." It is necessary to do everything possible to wipe out whatever differences which may exist among national liberation organizations, so that they can prove to the world that they can run a nation as a united people, the editorial points out.

#### OAS RESOLUTION DENOUNCES U.S. TRADE BILL

Peking Domestic Service in Mandarin 2230 GMT 29 Jan 75 OW

[Text] The special meeting of the Permanent Council of the Organization of American States (OAS) on 23 January passed a draft resolution denouncing the discriminatory trade bill of the United States.

The document states that representatives of Latin American states to the OAS Permanent Council unanimously agree that some of the stipulations in the U.S. trade bill are discriminatory and detrimental to Latin America. They also violate the principle clauses of the OAS Charter on the economic rights and obligations of member states.

The new U.S. trade bill, passed early this year, stipulates that the United States will not grant most-favored-nation status to OPEC member countries, raw material producing countries that impose protective prices on their raw materials, and other developing countries that nationalize U.S. enterprises. Publication of this bill has evoked vehement opposition from government, party, business, industrial and other circles in many Latin American countries.

#### BOLIVIAN CABINET SUPPORTS BOYCOTT OF U.S. TRADE ACT

Peking NCNA in English 1505 GMT 2 Feb 75 OW

[Text] Peking, February 2, 1975 (HSINHUA)--A motion in support of Venezuelan and Ecuadorian stand on the U.S. trade act was adopted by the Bolivian cabinet at a meeting on January 31, according to a La Paz report. The meeting was presided over by Bolivian President Hugo Banzer Suarez.

He expected that China would export three quarters of her oil output by 1980, amounting to \$10 to \$15 million. This will enable China to expand her industrial investments.

China's steel production will reach 200 million tons within this century, he predicted. China's chemical fertilizer production will also rise as a by-product of her growing oil industry, he said.

Professor Ho thinks that China will export her oil to the Third World countries, Southeast Asia and Japan. She may also export to the U.S., he said, adding that China would aim at isolating the Soviet Union through her "oil diplomacy."

AGREEMENT ON HIGHWAY CONSTRUCTION SIGNED WITH NEPAL

Hong Kong AFP in English 0830 GMT 2 Feb 75 OW

[By Kedar Man Singh]

[Text] Katmandu, Feb 2 (APP)--China and Nepal today signed an agreement covering the construction of a 407-kilometre (244.2-mile) long highway linking Pokhara to Surkhet. This is their biggest single project agreement, the construction consisting of an estimated \$80 billion to \$85 billion. The agreement was signed by Mr Tao Chi, the Chinese deputy minister for communications and leader of a seven-member government economic delegation, and Nepal's minister of state for finance, Dr B.B. Thara.

The ceremony, concluded this morning at Singa Durbar, was in pursuance of the joint communique issued at the end of the state visit of King Birendra to China in December, 1973.

The highway will link scenic Pokhara valley, at the foot of the Annapura Massif, a major tourist attraction, with Surkhet, the nucleus of the far western development region. This western-far western connection will be the lifeline for the people living in the western mountainous sector, about two-thirds of Nepal's total population of 12 million. It is likely to link such heavily populated centres as Baglung, Pyuthan, Jajarkot, Salyan and the agriculturally viable valley of Danfa--all mid-western Nepal regions.

Under the agreement China will provide a financial grant and technical aid in the form of personnel, road building equipment and materials as well as general commodities, the proceeds from the sale of which are to be used to meet local construction expenses. A feasibility survey was completed by Chinese technicians last year. There will be 88 large bridges, more than 300 medium ones and more than 2,500 culverts.

Speaking at the signing ceremony, Dr Thapa said, "This is indeed a very happy occasion for his majesty's government and people. We in this country appreciate and admire the spirit and dedication of our Chinese friends and technicians. We have worked under the most difficult conditions to fulfill the target of successfully executing the project in time."

Dr Thapa added: "This is the biggest project to be undertaken in Nepal so far with the assistance of a friendly country. The importance of this road for the economic development of Nepal, particularly in the context of our new strategy of regional development, can hardly be exaggerated.

"By agreeing to assist in a project of this magnitude, the People's Republic of China has, once again, demonstrated its sincere desire to support and assist Nepal in her development efforts."

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INTERNATIONAL AFFAIRS

In his reply, Mr Tao Chi, without mentioning any names but strongly inferring India and the two superpowers, strongly condemned the bullying of smaller nations by bigger nations and the pressuring of poor countries by the rich ones.

"Although China's economic power is still severely limited, yet whatever economic assistance it can grant to friendly countries is considered as a moral obligation by the government and people of China," Mr Tao added.

#### TRINIDAD, TOBAGO'S WILLIAMS ARRIVES IN PEKING

##### Airport Greeting

Peking NCNA in English 1752 GMT 31 Jan 75 OW

[Text] Peking, January 31, 1975 (HSINHUA)--Dr Eric Eustace Williams, prime minister of Trinidad and Tobago, arrived in Peking by air this evening for a working visit at the invitation of the Chinese Government.

The distinguished Trinidad and Tobago guests were greeted at the airport by Chinese leaders Teng Hsiao-ping, Ni Chih-fu and Ngapo Ngawang-jigme; Secretary-General of the Standing Committee of the National People's Congress Chi Peng-fei; Vice-Foreign Minister Wang Hai-jung; Vice-Minister of Petroleum and Chemical Industries Tang Ko and Vice-Minister of Finance Chiang Tung-ping.

At the airport flying the national flags of Trinidad and Tobago and China, Vice-Premier Teng Hsiao-ping extended on behalf of Premier Chou En-lai a warm welcome to Prime Minister Williams on his revisit to China.

Prime Minister Williams paid a state visit to China in November last year. During his current visit, Prime Minister Williams will exchange views with Chinese leaders on the further development of the relations of friendly cooperation between the two countries.

Accompanying Prime Minister Williams on the visit are George Chambers, minister of finance; Eustace Seignoret, permanent representative to the United Nations; Lance Selman, senior superintendent of police; Sylbert Hyndman, assistant superintendent of police; and Mrs Marjorie Lee Fook, secretary to the prime minister.

##### Talks With Teng Hsiao-ping

Peking NCNA in English 0743 GMT 1 Feb 75 OW

[Text] Peking, February 1, 1975 (HSINHUA)--Chinese Vice-Premier Teng Hsiao-ping held talks this morning with Dr Eric Eustace Williams, prime minister of Trinidad and Tobago.

Taking part in the talks on the Trinidad and Tobago side were George Chambers, minister of finance, and Eustace Seignoret, permanent representative to the United Nations.

Taking part in the talks on the Chinese side were Foreign Minister Chiao Kuan-hua; Vice-Foreign Minister Wang Hai-jung; Vice-Minister of Economic Relations With Foreign Countries Chen Mu-hua; Vice-Minister of Foreign Trade Chai Shu-fan and Vice-Minister of Petroleum and Chemical Industries Tang Ko.

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SUBJ: CHINA AGREES TO MASSIVE ROAD PROJECT IN NEPAL  
1. SUMMARY: THE CHINESE ECONOMIC DELEGATION WHICH ARRIVED  
IN KATHMANDU JANUARY 28 HAS AGREED TO COOPERATE IN THE  
CONSTRUCTION OF THE SO-CALLED "MIDDLE HILLS ROAD" FROM  
POKHARA TO SURKHET. ALTHOUGH THE TOTAL COST OF THE PROJECT  
IS UNKNOWN, FIRST ESTIMATES ARE THAT IT WILL BE IN THE  
NEIGHBORHOOD OF \$80-90 MILLION, MAKING IT THE LARGEST  
PROJECT EVER UNDERTAKEN IN NEPAL WITH FOREIGN ASSISTANCE.

ALTHOUGH OTHER ANTICIPATED AGREEMENTS HAVE NOT BEEN SIGNED, NEPALESE PRESS HAS PLAYED UP IMPORTANCE OF ROAD AND CHINESE DELEGATION'S SUPPORT FOR NEPAL'S "JUST STRUGGLE AGAINST FOREIGN INTERFERENCE." END SUMMARY

2. SPEAKING AT FEBRUARY 2 SIGNING CEREMONY OF AGREEMENT ON POLHARA-SURKHET ROAD PRC VICE MINISTER OF COMMUNICATIONS TAO CHI SAID THAT AGREEMENT IS "EVIDENCE OF FURTHER EXPANSION OF ECONOMIC COOPERATION WITH NEPAL." WHILE REGRETTING THAT PRC AS DEVELOPING COUNTRY COULD NOT EXTEND ASSISTANCE AT LEVELS IT DESIRED, TAO CHI SAID NEW ROAD WOULD BE "ONE MORE LINK IN CHAIN OF UNBREAKABLE FRIENDSHIP BETWEEN CHINA AND NEPAL."

3. TAO CHI SAID THAT CHINA STRONGLY OPPOSED "THE FEATURES OF BIG POWER POLITICS AND HEGEMONISM SUCH AS BIG NATIONS HOLDING OUT THREATS TO SMALLER ONES, RICH NATIONS HARASSING SMALL COUNTRIES." CHINA, HE CONCLUDED, WILL SUPPORT NEPAL "IN ITS JUST STRUGGLE AGAINST FOREIGN INTERFERENCE AND THE DEFENSE OF ITS NATIONAL INDEPENDENCE AND STATE SOVEREIGNTY."

4. PRC DELEGATION REMAINS IN NEPAL INSPECTING OTHER PRC  
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ASSISTANCE PROJECTS OUTSIDE KATHMANDU AND IS EXPECTED TO DEPART FEBRUARY 6.

5. COMME

M: THE 407 KILOMETER ROAD, WHEN COMPLETED, WILL BE AN ENGINEERING MARVEL IN THAT IT WILL CROSS SOME OF THE ROUGHEST TERRAIN IN NEPAL AT ALTITUDES OVER 10,000 FEET. INITIAL SURVEYS SHOW THAT 11 MAJOR BRIDGES WILL BE REQUIRED, IN ADDITION TO 300 SMALLER BRIDGES AND OVER 2500 CULVERTS. IT IS UNCLEAR, HOWEVER, TO WHAT EXTENT CHINA WILL PROVIDE ASSISTANCE IN THE PROJECT. ACCORDING TO THE COMMUNIQUE RESPONSIBILITY FOR OVERALL MANAGEMENT OF THE PROJECT WILL REST WITH NEPAL, WHILE CHINA WILL PROVIDE ENGINEERING AND TECHNICAL PERSONNEL, ROAD CONSTRUCTION EQUIPMENT, AS WELL AS COMMODITIES AND CONSUMER GOODS FOR THE ROAD. THE SALE PROCEEDS FROM THESE CONSUMER GOODS WILL BE UTILIZED FOR MEETING LOCAL COSTS OF THE PROJECT."

CONSTRUCTION IS TO BEGIN IN LATE 1975 OR EARLY 1976. ALTHOUGH NO COMPLETION DATE IS SPECIFIED, OUR ESTIMATE IS THAT IT WILL TAKE SEVEN TO TEN YEARS TO CONSTRUCT.

6. HMG IS OBVIOUSLY PLEASED AT THIS DRAMATIC GESTURE OF CHINA'S WILLINGNESS TO PROVIDE ECONOMIC ASSISTANCE AT A TIME WHEN ECONOMIC RELATIONS WITH INDIA ARE STRAINED. PRESS COVERAGE OF THE DELEGATION HAS BEEN EXTENSIVE AND THE STORIES HAVE NOT FAILED TO POINT OUT THAT THE ROAD WILL BE THE LARGEST DEVELOPMENT PROJECT UNDERTAKEN IN THE COUNTRY.

7. ALTHOUGH THE DELEGATION HAS NOT YET DEPARTED, WE ARE SOMEWHAT SURPRISED BY THE LACK OF OTHER AGREEMENTS WHICH IT WAS WIDELY BELIEVED WOULD BE SIGNED. THESE INCLUDE A HYDROELECTRIC PROJECT, THE ROAD FROM BHARATPUR TO GORKHA, A TEXTILE MILL IN HETAURA AND AN IRRIGATION PROJECT.

ALTHOUGH EACH OF THESE IS CONSIDERABLY DOWN HMG'S PRIORITY LIST IN COMPARISON TO THE POKHARA-SURKHET ROAD, IN THEIR TOTALITY THEY WOULD REPRESENT A QUANTUM JUMP IN PRC'S COMMITMENT TO NEPALESE DEVELOPMENT. MINISTER OF STATE FOR FINANCE BHEKH THAPA CANCELLED PLANNED TRIP TO DAKAR IN ORDER TO TAKE PART IN FURTHER NEGOTIATIONS WHICH MAY HAVE TURNED OUT TO BE MORE DIFFICULT THAN HMG HAD ANTICIPATED.

AS WELCOME TO NEPAL AS TAO CHI'S POINTED REMARKS ON THE "STRUGGLE AGAINST FOREIGN INTERREFERENCE," MAY HAVE BEEN,

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INDIAN PRESS HAS BEEN QUICK TO CHARGE THAT AGREEMENT IS CHINESE MOVE TO "TAKE ADVANTAGE OF COOLNESS IN INDO-NEPALI RELATIONS." WHILE THERE IS NO DOUBT SOME TRUTH IN THIS ALLEGATION, IT SHOULD BE BORNE IN MIND THAT CHINESE HAD AGREED IN PRINCIPLE TO CONSTRUCT ROAD AS LONG AGO AS BIRENDRA'S VISIT TO PEKING IN 1973. IT IS TRUE, HOWEVER, THAT NEW COMMITMENT WILL PROBABLY MAKE CHINA LARGEST FOREIGN AID DONOR IN NEPAL, SURPASSING EVEN INDIA. INDIAN COMMITMENTS FOR FIVE YEAR PLAN BEGINNING 1976 ARE NOW ESTIMATE AT \$80 MILLION (INCLUDING ROAD FROM DHANKUTA TO DOLALGHAT), WHILE PRC ASSISTANCE COULD RISE TO OVER \$120 MILLION FOR SAME PERIOD.

9. EMBASSY WILL PROVIDE MORE EXTENSIVE ANALYSIS WHEN DELEGATION DEPARTS. CARGO

C O N F I D E N T I A L

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FM AMEMBASSY MOGADISCHIO

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TO RUEHC/SECSTATE WASHDC 3409

INFO RUQMAR/AMEMBASSY ADDIS ABABA 4496

RUEHMD/AMEMBASSY MOSCOW 402

RUOMNI/AMEMBASSY NAIROBI 5322

RUDKBT/AMCONSUL CASABLANCA 31

RUEHDT/USMISSION USUN NEW YORK 469

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C O N F I D E N T I A L MOGADISCHIO 1707

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E.O. 11652: GDS

THGS: ERID, EFIS, SD US

SUBJECT: SOVIET TAKEOVER OF SOMALI FISHERIES DEVELOPMENT

REF: A. STATE 282748 B. MOGADISCHIO 1524

1. AS INDICATED REF B., WE BELIEVE SOVIET MOVES DICTATED PRIMARILY BY MOSCOW'S DESIRE MONOPOLIZE ACCESS TO SEACOAST AND COASTAL WATERS AND, THUS, BE ABLE CARRY ON MILITARY ACTIVITIES IN RELATIVE SECRECY. ECONOMIC CONSIDERATIONS, IN OUR VIEW, PLAYED MUCH LESS SIGNIFICANT ROLE IN DECISION GRANT AID.

2. SOMALIA PROCLAIMED 200 MILE LIMIT IN 1974. OVERALL SOVIET/SOMALI RELATIONSHIP SUCH THAT MOSCOW NOT RPT NOT OBLIGED TO COUGH UP \$33 MILLION FOR FISHING RIGHTS. IT EXTREMELY UNLIKELY GSIDR WOULD GRANT FISHING RIGHTS TO ANY OTHER NATION WITHOUT SOVIET APPROVAL. IT EQUALLY UNLIKELY THAT AGREEMENT WOULD INCLUDE ACCESS TO ON-SHORE FACILITIES OR AT LEAST TO FACILITIES IN AREAS SOVIETS DEEM SENSITIVE.

3. REF A SUGGESTS CONFUSION AMONG WASHINGTON AGENCIES CONCERNING VARIOUS ELEMENTS FISHERIES DEVELOPMENT SCHEME AND REFUGEE RESETTLEMENT PROGRAM AS A WHOLE. FIRST, SOVIET AID PROJECT IS JUST THAT; IT DOES NOT RPT NOT INVOLVE JOINT VENTURE, PRODUCTION SHARING, ETC. UNDER FISHERIES AGREEMENT SIGNED 1974. HOWEVER, JOINT DEEP-SEA FISHING VENTURE, USING 12 SOVIET-BUILT TRAWLERS, WAS ESTABLISHED. WE UNDERSTAND DETAILS AVAILABLE.

FISHERIES PROGRAM. THERE IS NO RPT NO IBRD OR ARAB PARTICIPATION  
IN FISHERIES DEVELOPMENT (FUNDS FROM THOSE SOURCES

U MENTIONED REF A

PARA 8, NOW TOTALLING US \$53 MILLION, ARE TO BE SPENT ON AGRICULTURE  
AND RANGELAND DEVELOPMENT PROJECTS). FUNDING FOR FISHERIES COMES  
SOLELY FROM USSR \$33 MILLION PACKAGE AND MODEST FAO PROGRAM  
MENTIONED REF B. WE THINK EVEN \$33 MILLION IS UNUSUALLY LARGE  
COMMITMENT AND ONE WHICH BETRAYS MOSCOW'S GREATER INTEREST IN  
POLITICAL, MILITARY AND SECURITY ASPECTS OF SCHEME THAN IN ITS  
ECONOMIC AND DEVELOPMENT ASPECTS.

5. SOMALI PRESS HAS NOT, TO OUR KNOWLEDGE, MENTIONED SOVIET  
FISHERIES AID. THIS NOT PARTICULARLY UNUSUAL NOR HAS IT PREVENTED  
PLAN FROM BECOMING COMMON KNOWLEDGE AMONG SOMALIS MANY OF WHOM,  
IN ABSENCE OF PUBLICITY, ASSUME (IN OUR VIEW CORRECTLY) SCHEME HAS  
SINISTER IMPLICATIONS.

6. SOVIET AMBASSADOR SAMSONOV TOLD AMB. LOUGHRAM THAT \$33  
MILLION INCLUDED \$14 MILLION GRANT MONIES WITH \$19 MILLION SOFT LOAN.  
PROGRAM WILL INVOLVE TRAINING AND EQUIPPING 2,200 FISHERMEN, 400 BOAT

S  
COSTING ABOUT \$4 MILLION, FISHING GEAR WORTH ABOUT \$800,000 AND  
ONSHORE PORT AND PROCESSING FACILITIES COSTING \$9 MILLION WILL BE  
REQUIRED. USSR WILL REPORTEDLY SEND 30 EXPERTS (11 HAVE ALREADY  
ARRIVED) TO TRAIN SOMALIS IN FISHING TECHNIQUES, EQUIPMENT  
OPERATION AND MAINTENANCE AND FORMATION OF FISHING COOPERATIVES.  
PROGRAM EXPECTED TO RUN TWO-THREE YEARS.

7. AS IS OBVIOUS FROM FOREGOING, SCALE OF FISHERIES PROGRAM  
DIMINISHED SINCE RFA'S TALK WITH COMPTEN IN JULY. WHEREAS  
ORIGINALLY 78,000 PERSONS INCLUDING APPROXIMATELY 15,000 ABLE-  
BODIED MALES WERE TO BE RESETTLED COASTAL AREAS, FIGURE AS OF  
EARLY NOVEMBER ONLY 15,200 WITH 2,200 POTENTIAL TRAINEES.  
DIFFERENCE ATTRIBUTABLE TO HIGHER-THAN-EXPECTED NUMBER OF  
PERSONS REVERTING TO NOMADISM AND EXPANSION BY 22,000 PERSONS OF  
AGRICULTURAL RESETTLEMENT SITES INTERVERTING AREA.

8. DEPT MAY WISH TO PASS TO NMFS OUR PREVIOUS REPORTS  
CONCERNING RESETTLEMENT/FISHERIES DEVELOPMENT. WE BELIEVE INFO  
THEREIN WOULD HAVE PREVENTED EVIDENT CONFUSION THIS SUBJECT.